

INDIA'S FOREIGN RELATIONS – 2005
Documents

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No Foreign Office today is content to merely build friendly and good relations in the classical sense. Even economic content of diplomacy, which had gained currency in recent decades, is no longer the catch phrase in the conduct of international relations. The sophistication and the growing needs of the economy coupled with the demands of globalization have brought about a qualitative change in the conduct of international relations. Energy – thermal and nuclear, science and technology, biotechnology, information technology, nanotechnology, environment, space, sustainable development, PURA and the like are now the core diplomatic vocabulary. Market protection is giving way to dismantling of trade barriers. Competition is the mantra, free trade the dharma and multilateralism the altar on which the economic relations are now conducted. Energy – the strategic need for which has spurred unprecedented demand has, today, become the centerpiece of foreign policy. No wonder in India too the energy, whether nuclear, natural gas or hydrocarbon dominates the foreign policy debate, as in many other countries.

The challenge between high growth and social progress, hitherto, the attribute of domestic politics has today assumed international ramifications. Neither is possible without foreign investment and modern technology. The problem of keeping the gap narrow between rich and the poor, maintaining economic vitality and efficiency, attracting greater foreign investment and enhancing the competitiveness of indigenous industry against globalization trends, promoting mega projects and helping the smaller entrepreneurs to survive and stand competition are some of the challenges which have assumed foreign policy implications even as they are governed by domestic economic compulsions. While much of the burden of reconciling the conflicting demands of modernization and globalization has to be met by economic and financial experts, the Foreign Service bureaucracy today is shouldering its own share of the challenge. The 756 documents in his compendium provide an ample proof of this.



Avtar Singh Bhasin (b. 1935.) BA (HONS); MA in History. Initially he had short stint of service in the National Archives of India and the Ministry of Defence. In 1993 he joined the Ministry of External Affairs where he served for the next three decades, retiring in 1993 as Director of the Historical Division. He looked after the South Asian affairs for many years. He was posted in the Indian Missions in Kathmandu, Bonn, Vienna and Lagos. He traveled to several other countries in the discharge of his official duties in the Ministry. He was a member of several ministerial and official delegations for discussions with various countries both in India and abroad.

Since his retirement he has taken to academic research. He was a Senior Fellow of the Indian Council of Historical Research from 1994 -96. He was Honorary Fellow of the Institute of Contemporary Studies, Nehru Memorial Museum and Library from 1997 to 2000. He has edited and authored several books on South Asian affairs. He also contributed articles in many newspapers on developments in the neighbouring countries. His 75 pieces on Partition and Freedom were published in the *Asian Age* consecutively from June 1 to August 14, 1997 coinciding with the Golden Jubilee celebrations of the Indian Independence.

Other books of Avtar Singh Bhasin since his retirement

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INDIA

*to
Kamaljeet and Mantosh*

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

**Prime Minister
Dr. Manmohan Singh**

MINISTRY OF EXTERNAL AFFAIRS

**External Affairs Minister
Shri Natwar Singh¹**

**Minister of State
Shri E. Ahamed**

**Minister of State
Rao Inderjit Singh**

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Shri K. C. Singh

Shri Sharad Sabharwal

Shri K.P. Ernest

Official Spokesperson

Shri Navtej Singh Sarna

1. On November 7, 2005 he relinquished charge of the Ministry of External Affairs.

PREFACE

The series India's Foreign Relations was launched in March 2005 with the publication of the documents for the year 2004. The second volume in the series covers the period January to December 2005. The documents in this volume indicate a paradigm shift in the all-round quality of India's foreign relations in line with the recent trends in international affairs. No Foreign Office today is content to be merely building friendly and good relations in the classical sense. Even economic content of diplomacy, which had gained currency in recent decades, is no longer the catch phrase in the conduct of international relations. The sophistication and the growing needs of the economy coupled with the demands of globalization have brought about a qualitative change in the conduct of international relations. Energy - thermal and nuclear, science and technology, biotechnology, information technology, nanotechnology, environment, space, sustainable development, PURA and the like are now at the core of diplomatic vocabulary. Market protection is giving way to dismantling of trade barriers. Competition is the *mantra*, free trade the *dharma* and multilateralism the altar on which the economic relations are now conducted. Energy - the strategic need for which has spurred unprecedented demand - has, today, become the centerpiece of foreign policy. No wonder in India too the energy, whether nuclear, natural gas or hydrocarbon, dominates the foreign policy debate, as in many other countries.

The challenge between high growth and social progress, hitherto, the attribute of domestic politics has today assumed international ramifications. Neither is possible without foreign investment and modern technology. The problem of keeping the gap narrow between rich and the poor, maintaining economic vitality and efficiency, attracting greater foreign investment and enhancing the competitiveness of indigenous industry against globalizing trends, promoting mega projects and helping the smaller entrepreneurs to survive and stand competition, are some of the challenges which have assumed foreign policy implications even as they are governed by domestic economic compulsions. While much of the burden of reconciling the conflicting demands of modernization and globalization has to be met

by economic and financial experts, the Foreign Service bureaucracy today is shouldering its own share of the challenge.

Prime Minister Dr Manmohan Singh has repeatedly emphasized the need for energy security for a sustained growth rate of 8 percent and more in the coming years. This inevitably underlined the need to look for new sources and to go to distant lands. Transporting energy is a concomitant necessity and presents its own problems. Given the fast shrinking hydrocarbon sources globally, there is ever-stiffer international competition to contend with. In recent years Indian policy makers and experts have scurried around the world to tie up new sources by entering into exploration contracts, joint ventures through equity investments and otherwise. There is stiff competition from developed economies of the West, Japan and, of course, China. The Indian oil entities like the Oil and Natural Gas Commission (ONGC) and the Gas Authority of India Ltd. (GAIL) with the support of the government are busy courting oil producing countries seeking resources far and wide. Energy is on the agenda of all high-level official visits to and from India, including at the highest level.

Sourcing energy from abroad necessitated cheaper means of transporting it through pipelines, which is no easy feat particularly when no supplies are available across India's own borders. Sourcing gas from Bangladesh continues to be a problem. Iran-Pakistan-India and Turkmenistan-Afghanistan-Pakistan-India pipelines in the west and Myanmar-Bangladesh-India pipeline in the east presented attractive but difficult choices. For some time now India is exploring the option of Nuclear energy as an alternative. This is an area of restrictive technology and international controls. India's refusal to sign the discriminatory NPT and testing of nuclear weapons in 1998 with all its political implications denied India access to advanced nuclear technology. Breaking this logjam has become a major foreign policy concern of New Delhi.

Prime Minister Manmohan Singh's visit to the USA in July 2005 was a major effort in the search for energy security. The prospect of nuclear energy cooperation, not only with the USA but also with other Nuclear Suppliers Group countries which is now within reach, promises energy security as a consequence of the recognition of India as a responsible nuclear weapon State. There have been some dissenting voices within the country against the nuclear agreement with the USA and the follow up action

requiring India to separate its military and civilian nuclear facilities. This has set in motion an intense debate among the political parties and in the media on the obligations that this new status would oblige India to accept in its new *avatar* as a nuclear weapon state outside of the NPT. Debate, discussion and dissent are the essence of democracy and the consensus that the Government of India is attempting to build in the country on this sensitive issue will go a long way in building an enlightened public opinion around the relationship that is being worked out with the USA. The Prime Minister set the ball rolling for the debate when he underlined the need for nuclear energy in his statement on his visit to the USA in the Lok Sabha on May 29, 2005. He said: "energy is a crucial input to propel our economic growth" and therefore it was "clearly an urgent necessity for us to enhance nuclear power production rapidly." This, he said, would enable us to "leapfrog stages of economic development". Articulating the positive side of the arrangement that he had sewed up in Washington he noted with great satisfaction that the agreement recognized India "as a responsible State with advanced nuclear technology, India should acquire the same benefits and advantages as other such States, which have advanced nuclear technology." He noted with satisfaction that this would lead to "dismantling of the technology denial regimes which have hitherto targeted India." He had no hesitation in declaring that the new regime came with certain obligations. He clarified: "Predicated on our obtaining the same benefits and advantages as other nuclear powers, is the understanding that we shall undertake the same responsibilities and obligations as such countries, including the United States. Concomitantly, we expect the same rights and benefits. Thus we have ensured the principle of non-discrimination." Clearing any doubts that may be entertained that we had assumed any one-sided obligations, he said "I would like to make it very clear that our commitments would be conditional upon and reciprocal to, the US fulfilling its side of this understanding."

The energy question also brought relations with Iran under sharp focus. Iran is signatory to the NPT and has also signed an additional protocol with the IAEA putting its nuclear energy programme under international safeguards. In recent years, doubts have been raised in certain quarters on the nature of Iranian nuclear programme. New Delhi, while supportive of the Iranian right to develop nuclear energy for peaceful purposes, has chosen to side with the international opinion on question of observing meticulously the safeguards regimen accepted by Tehran though on this question too there are divergent opinions at home.

India assured Africa its commitment to be part of the new dynamism generated by the New Partnership for Africa Development (NEPAD), crafted by the reform oriented African leaders with a vision for the continent. New Delhi held the first conclave on Africa – India Project Partnership –2005 attended by as many as 25 Ministers from different African countries. India's ITEC programme had been catalyst for India's participation in African development. Since its inception in early sixties around 10, 000 nationals from African countries have received training in India in a wide array of fields ranging from management and IT to administration, education, and health. In a major initiative Prime Minister Manmohan Singh in his message to the 4th Summit of the African Union in June announced that "as part of our common fight against poverty and disease" India had identified health sector as its top most priority for helping the African countries. He announced that India had "earmarked a sum of US \$ 1.5 billion in the form of lines of credit to be used to help Africa battle against HIV/AIDS and other pandemics." In another major initiative on October 27 India and African Union signed a MOU on Pan-African E-Network Project. It may be recalled that President Abdul Kalam had announced this project during his visit to South Africa in 2004.

The 6th India – European Union Summit held in September ended with the adoption of a Joint Plan of Action. It sought to provide the necessary framework for India's fast evolving, multifaceted relations with the EU and setting a roadmap for identifying pathways to future cooperation. India and EU emerged as important trading and investment partners. India's trade with EU grew from around US \$ 20 billion in 1999-2000 to \$ 33 billion by the end of 2004-05. The India – EU Energy Panel constituted in November 2004 at the 5th India – EU Summit at The Hague met for its inaugural meeting in June in Brussels. The Panel decided to set up Working Groups in the areas of coal and clean conversion of technologies; energy efficiency and renewable energies and Fusion energy including India's participation in International Thermonuclear Experimental Reactor Project (ITER). In December India was accepted full partner in the ITER by consensus. President Dr. Abdul Kalam visited Russia in May and Prime Minister Dr. Manmohan Singh visited Moscow twice during the year—once to attend the 60th anniversary of the Victory Day and second time in December for the annual Summit level discussions with President Vladimir Putin. In between the two leaders had another chance to meet in September in New

York on the sidelines of the UN General Assembly session. The Russian Foreign Minister and External Affairs Minister kept themselves in regular contact.

India's "Look-East Policy" got a shot in the arm, when New Delhi was invited to the inaugural East Asian Summit in Kuala Lumpur in December. The visit of Chinese Premier Wen Jiabao went a long way in strengthening bilateral ties and the 12 agreements signed reflect the bonhomie. Of these, two: (i) Political Parameters and Guiding Principles for the Settlement of the India – China Boundary Question and (ii) Protocol on Modalities for the Implementation of Confidence Building Measures in the Military Field along the Line of Actual Control in the India– China border areas, were particularly important as they were pointers to the early settlement of the border question between the two countries.

Nearer home, relations with Pakistan kept the Ministry of External Affairs quite busy. The Composite Dialogue progressed well and as planned during the year. President Gen Musharraf keen to watch a cricket match between the Indian and Pakistani teams visited New Delhi in April. The visit resulted in the leaders of the two countries utilizing the opportunity to discuss bilateral issues. The Prime Minister and the President met again later in September in New York on the sidelines of the UN General Assembly session. Signing of the agreement on Pre-notification of Flights Testing of Ballistic Missiles and MOU for the establishment of communication link between the maritime security agencies of the two countries during the visit of External Affairs Minister to Islamabad in October was among the many of the confidence building measures agreed upon between the two countries during the year. Introduction of additional transport links between the two countries particularly the Srinagar-Muzaffrabad route helped to enhance people-to-people contacts. The lethal earthquake in October affected the people on both sides of the Line of Control in Kashmir. It created a sense of shared grief between them. Despite its own people being affected cruelly by the earthquake, India offered substantial assistance to the people on the other side. As of November 17 India had made available 1300 tonnes of relief supplies by air, road and rail. This assistance was in addition to the relief material sent by private entities, which the Government of India facilitated in terms of transport etc. New Delhi also committed US \$ 25 millions as funding for the long-term task of rehabilitation and reconstruction efforts in the earthquake affected areas of the Pakistan-occupied Kashmir.

The set back to the democratic process in Nepal in February anguished New Delhi. India insisted that the twin pillars of the Nepalese polity, the political parties and the constitutional monarchy, must work in harmony and complement each other as they have done since 1990. This become all the more necessary since the Royal Nepal Army had failed by military means to subdue the Maoist insurgency. Innocent people continued to suffer in the clashes between the security forces and the Maoists. Lamentably India's advice to the King to roll back his action of February 1 did not produce the desired result. The confrontation between the monarchy and the democratic forces has since sharpened.

Seven hundred and fifty-six documents in the volume speak of the extremely grueling schedule that the Foreign Office went through during the year. These have been regionally and chronologically arranged. The documents of a general nature or those, which cut across many themes, have been placed under the general category. While categorizing a document, its dominant nature has been the primary consideration. It is quite possible that users may find some duplication or they may find a document at a place different from the one they expected it to be. I seek users' indulgence in such cases. Extensive footnotes have been added to either amplify the context or to supplement the contents of the main document. It is hoped this will be deemed useful. In reproducing the documents, every effort has been made to adhere to the original text in terms of the spellings of proper nouns and punctuation.

As pointed out at the very beginning, external relations have become a complex subject. Interaction among nations and agreements even in such diverse fields such as health, environment, agriculture, science and technology, trade and finance etc., contribute to promotion of friendlier relations among nations. It is no longer possible or desirable to compartmentalize foreign relations. They have become all-inclusive. This naturally has added to the volume of documents that were generated during the course of the year. As I was putting the material together, the compendium threatened to go out of control. A hard decision became necessary to keep the size of compendium within reasonable limits. Certain things had to be excluded. In so doing every effort has been made to retain all that was immediately relevant for the conduct of foreign relations. I trust the readers would understand if they fail to find an item they are looking for in this volume.

In the preparation of this volume I received help from many officers of the Ministry of External Affairs. I find it difficult to mention all the names individually since the list is long. The names I would not like to miss are those of Navtej Singh Sarna, Joint Secretary (XP) and Official Spokesperson, Rahul Chhabra, Dinesh Bhatia, and Mahesh Arora. I am grateful to all of them for their help. However, I remain fully responsible for any deficiencies and inadequacies that may be found in the work.

Avtar Singh Bhasin

New Delhi,
February 20, 2006.

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INDIA'S FOREIGN RELATIONS - 2005

Section - I General

001. Interview of Prime Minister Dr. Manmohan Singh with daily *Toronto Star*.

New Delhi, January 17, 2005.

(Excerpts from an interview granted by Prime Minister Manmohan Singh in his South Block office in New Delhi to the Toronto Star's Asia Bureau Chief, Martin Regg Cohn.)

Star: You know that Canadians have of course been following with great concern the events of the tsunami. And they have been struck by the way in which India has shown great self-reliance at this time, on the one hand providing aid and assistance to other neighbouring countries, but also initially declining emergency relief aid.... What does this say about India's place in the world, and also the world's place in India?

Singh: Well I think this was a classic case where disaster has affected the well being of so many countries. Sri Lanka is our close neighbour, Maldives is our close neighbour, Indonesia is our close neighbour. And therefore we thought adversity is an occasion when we should stand by the side of our neighbours, and that's what we did as a good-neighbourly device.

Star: How do you believe this affects India's image in the world and its standing in the world?

Singh: I don't think that the image of India was the most important consideration when we took that decision. Our concern was that we were afflicted with this terrible disaster, we should do utmost to relieve something to ensure that our own people are provided with relief and rescue operations and that we shared our experience, our knowledge and our resources with our neighbours.

Star: Do you believe that the worst is behind you now?

Singh: Certainly we have completed the first stage with relief and rescue operations. Now it's the longer term task of giving the affected populations the new livelihood strategies which will I think give them new sources of livelihood and also will be ecologically sustainable. So that's the big challenge we have.

Star: Was there a sense of concern that India's actions were being misinterpreted in some ways?

Singh: My concern was that by saying we would like to make the maximum possible use of our own resources we were not turning our back on the world. We believe that distances have lost their old meaning. In the one world that is now on the horizon, both prosperity as well as disaster are indivisible. My only concern was that there should be no misunderstanding of what we have done. We certainly would like to go to the international financial institutions when it comes to questions of seeking rehabilitation assistance.... We feel it is appropriate if we should take advantage of the facilities that they offer. But at that particular time quite frankly we didn't know how the international community's efforts could fit in. Our immediate requirement was rescue and relief, and there we felt that involving too many agencies could become counterproductive. But not in any sort of chauvinism or isolationism that we arrived at that decision.

Star: The Indian media have reported that Kofi Annan was discouraged from making a visit to Tamil Nadu and also that the Canadian Prime Minister was discouraged from spending time there. What was the thinking there?

Singh: Well I really don't know whether that is so. But our major concern has been that nothing should come in the way of effective relief and rehabilitation operations, and sometimes the visits of high dignitaries-when Indian press had commented on my visit also they said the best I could do was to stay away. So our concern has been that nothing should come in the way of officials concentrating on their primary task that is to engage in effective relief and rehabilitation measures. But I think certainly we would welcome any honoured guests if at a later stage they would like to look at what we have done.

Star: I remember when I was covering the elections, when you were sworn in, you said that the 21st century would be the Indian century. It reminded me of one of our great Prime Ministers, Wilfred Laurier, who said the 20th century would be Canada's century. He might have been a bit overoptimistic. How do you ensure that your goals-your very ambitious goals of continuing the economic reforms that you pioneered, and ensuring a broader distribution to India's poor and rural people-how do you actually ensure that happens. And what happens if you don't succeed in those goals?

Singh: Well, the first thing that I would like to emphasize is that (for) any country as poor as India, meaningful solutions to the problems of mass poverty can be found only in the framework of a rapidly expanding economy.

Therefore our first and foremost requirement is that our economy should experience robust growth rates. We have been growing at the rate of 6, 6-1/2. But I think we would like these growth rates to go up to 7 to 8 per cent per annum. For more than one reason, I think. When an economy is growing at a fast rate, the redistribution tensions tend to be much less keenly felt. If the economy is stagnant and you superimpose redistributive objectives, I think then this attempted redistribution becomes a zero-sum game. Those who have, they don't want to part; those who do not have, their desire and their intensity of deprivation also increases.

So we feel the redistributive tensions are inevitable in societies which are unequal societies, and we recognize that we are an unequal society. But we also recognize for a functioning democracy we cannot live with these inequalities, and therefore the first and foremost task is that the economy should grow and then that the growth should have an employment-friendly pattern, growth should pay particular attention to ensuring that those who are in the bottom rung of social and economic ladder do become effective partners in processes of development, and that means greater emphasis on education, greater emphasis on health, and that since 65 per cent of our population lives in rural areas, greater emphasis on social and infrastructure in rural areas.

Star: Will you be judged on that, and will you find yourself in the same position as the BJP if you fail to achieve those goals?

Singh: Well I think those are our challenges and we would like, as our term proceeds, that we would make an effective dent on some of these chronic problems. But having said that, I must say that problems of mass poverty cannot be solved overnight. I think what we need to ensure is that the direction is right, that we are sincere, that we have effective strategies working on the ground, at the grassroots level to deliver some of the basic social services.

Star: One of your other challenges is managing your coalition. I think you have 15 parties that are in your alliance. I'm sure Prime Minister Paul Martin would be interested in hearing, since he is governing with a minority Parliament in Canada, how do you manage to keep the coalition on the same page?

Singh: We need to spend a lot more time in discussion. Coalition politics is

essentially an essay in mutual comprehension. But I think we have this advantage of having agreed upon a Common Minimum Programme, so I think that focuses our discussions on a pre-designed set of priorities. So that certainly has helped in managing the tensions which are an inevitable of a functioning coalition of various parties.

Star: Speaking of managing tensions and prosperity, obviously you need peace in order to maintain that kind of stable growth. What is your sense of what it would take to achieve a new beginning or new dawn-not a false dawn-in Kashmir and in your relations with Pakistan.

Singh: Well let me say that we are very sincere, very keen that India-Pakistan relations should make a new beginning. We are committed to discussing and resolving all outstanding issues which affect the relationship between India and Pakistan, and that includes the issue of Jammu and Kashmir. Our only concern is that this dialogue, composite dialogue, to which both of our countries are committed, can proceed only if Pakistan remains firm in its commitment ... that Pakistan territory would not be used to promote terrorism directed against us.

Star: And so far has Pakistan been living up to its word? You've reduced troop levels recently.

Singh: Let me say there has been some progress, but the overall infrastructure of terrorism has not been dismantled. And we hope that Pakistan would honour its commitment, and therefore I sincerely hope that our two countries can work together to make a new beginning.

Star: You met President Musharraf I believe in New York, and I expect you would meet him again next month in Dhaka. What is your measure of Musharraf? Can you do business with him?

Singh: We have to do business with President Musharraf. I was very happy with the outcome of that meeting in New York, and it is my hope and prayer to sustain the momentum.

Star: One of the explanations given for your election victory was that India had turned the page on communalism in Gujarat of the last few years. What is your sense of the legacy of the BJP's policy of Hindutva? And can any of the problems with saffronization, as the phrase is used here, can those problems be undone?

Singh: Let me say that the BJP even at the best of times never got more than 25 per cent of votes. It is certainly true that they tried to distort the essence of our civilization and cultural heritage. I think a sense of Indian civilization throughout the many centuries has been respect for diversity, tolerance, respect for pluralism, working towards an inclusive society where people of all diverse religious persuasions can live together as equal citizens in peace and amity. And therefore I think what happened in Gujarat was a big shock to our people. I think it's not wrong to say that the May 2004 elections were a reaffirmation of the hearts and minds of the people of India.

Star: India has the world's second-largest population of Muslims, and I'm wondering if you think there is a way for India-India's Muslims and their role in Indian society-to be a role model for the rest of the world?

Singh: Islam is an integral part of our civilization and cultural heritage. We have probably one of the largest Muslim communities in the world and we take pride in the fact that these 150 million Muslims live as peaceful citizens of our country, that there is not a single incident of their being involved in Al Qaeda and other international terrorist groups.

Star: I believe you were chairman of the University Grants Commission in a previous life, and as you probably know there was a great debate about the idea of adding astrology to the curriculum at Lucknow University and other places. Now that you're Prime Minister, what do you think of that?

Singh: Anything which interferes with the promotion of scientific tenor, scientific outlook, I think distracts people from concentrating on issues which they ought to be concentrating on. I have never gone to an astrologist.

Star: The fact that you are a Sikh Prime Minister, does that also provide a symbol for people that everyone is included in this society?

Singh: I don't look upon myself as a Sikh or a non-Sikh. I am an Indian first, an Indian last. But I am proud to be an Indian and proud to be a Sikh. And the fact that a person of any religion can rise to the highest office - we have a President who happens to be a practising Muslim, I am a practising Sikh - well that is one indication of the India that we want to build, an India where as I said people of diverse religious backgrounds can live together as equals and be active, effective partners.

Star: Prime Minister, I know you wouldn't let me leave without talking about Non-Resident Indians in Canada, and I know you've thought very carefully with your staff about how to reach out to NRIs. Can you tell us what that means for Canadians, and what your message is particularly to them?

Singh: Well we have a large community of Canadian citizens who are of Indian origin. In an increasingly interdependent world that we live in, I think all these Canadian citizens can become major instruments of promoting cordial relations between our two countries.

Star: What about investment?

Singh: Well I very much hope that some of them would find India a very desirable, profitable investment destination. But we would like our relations to have a multi-faceted character, and that cultural link should also have a prominent place.

Star: Are you hoping Canada will support you on the Security Council bid that is so important to India?

Singh: I very much hope that all right-thinking people would support India's case. I believe we have a very strong case.

Star: What can Canada do particularly though at the UN to help with your Security Council seat?

Singh: We very much hope that Canada will back us up in our quest for a more balanced composition of the Security Council.

Star: Thank you very much.



002. Interview of External Affairs Minister K. Natwar Singh to the weekly *Outlook*.**New Delhi, January 17, 2005.**

[From the time giant tsunami waves lashed India, and New Delhi refused relief assistance from foreign governments, a debate has been brewing in the country. Did India turn down offers of help because, as an aspirant for a United Nations Security Council seat, it didn't want to be seen as accepting aid? Would not the assistance that India was giving other countries be better utilised to address the abysmal levels of poverty at home? External affairs minister K. Natwar Singh clarifies India's position to V. Sudarshan]

How much financial assistance has India provided to other countries that have been hit by the tsunami?

We have provided humanitarian assistance to Sri Lanka, the Maldives, Indonesia and Thailand.

We are also now proposing to send relief to Seychelles. This assistance has been in the form of composite relief packages to the tune of Rs 100 crore for Sri Lanka, Rs 5 crore for the Maldives and smaller packages for Indonesia and Thailand. Our assistance has been through provision of emergency rations, medical supplies, hospital ships, search and rescue operations and other emergency equipment, urgently required in the affected areas in these countries. Indian naval ships, aircraft and helicopters have been deployed for implementing this assistance and our people are helping with rebuilding the infrastructure in these countries.

How do you explain that India, itself a victim of the tsunami, is an aid-giver?

It's true that India has also been a victim of the tsunami, and a huge operation has been launched for relief and rehabilitation within India. At the same time, given our place in this region, and our resources and expertise in providing relief after natural disasters, it was natural that we should try and help these friendly countries in this hour of need. It's important that countries join hands in the face of such enormous disaster and try to alleviate the suffering of their people which, after all, is the common suffering of mankind.

There has been some criticism on India's refusal to accept foreign aid for tsunami relief effort. What's our exact position?

We do not have a dogmatic position on the issue of accepting foreign aid. What we've stated is that as of now we feel we have enough resources and capabilities to be able to deal with this disaster. We deeply appreciate the offers of help which have poured in from several countries but so far we have managed on our own. We would, of course, be in touch with our friends in case any requirements come up later.

Are foreign governments being discouraged from donating to the PM's Relief Fund and are foreign charities and other such entities being discouraged from donating/working with NGOs in India?

No such restrictions have been imposed. Anybody who wishes to donate to the PM's Relief Fund is welcome to do so. As regards the working of NGOs, there are several international NGOs and UN agencies which are already present in India, and are doing excellent work in carrying out relief operations in very close coordination with our local authorities.

We were one of the first off the block in terms of getting our navy off to Sri Lanka, the Maldives and Indonesia. What was the rationale in terms of our strategic interests in the region?

India, of course, has strategic interests in its neighbourhood. However, one should not look at the timely relief provided by India in these terms. It was a humanitarian need. We had the required resources and we responded to the needs of our neighbouring friendly countries.

There have been reports that India is somehow unhappy at the sight of seeing so many US marines landing in Sri Lanka. How do we view this? Did Sri Lanka inform us of it?

The magnitude of the disaster in Sri Lanka is such that it requires huge assistance. Indians are already present there in fairly large strength for providing relief.

If the US believes it can contribute to that effort, they are most welcome. Of course, coordination has to be ensured and this was done through the coordination group that was set up. The extent of American support required is something that can be determined on the basis of

consultation. We don't think there is any misunderstanding or misapprehension in this respect.

Some say that as an aspirant to a permanent seat in the UNSC, India should not be a supplicant for aid. Is this justified?

The merits of our case for a permanent seat in the UNSC are well known. I don't think these two issues should be coupled. That would be somewhat cynical. I've already stated why we have not taken aid.

There are others who say that given the skewed nature of development in India, the levels of poverty, we are better off utilising the money we give as external aid to better address the problems within.

The problem of poverty requires long-term solutions. Our government is fully committed to that task and there are specific schemes and programmes for that. As a responsible member of the international community, it is also our duty to help friendly countries, especially those in our neighbourhood, in their times of difficulty to the extent possible. I do not think that these are either/or situations.

Is there any area we can look to for international assistance, in terms of long-term issues of rehabilitation, setting up of early tsunami warning systems, ecological aspect of disaster management, etc?

As you say, these are long-term issues and once the immediate crisis created by the tsunami has been tackled, all these issues will no doubt be examined. I was recently present at the Special ASEAN Leaders' Summit in Jakarta. The declaration issued after the summit pledges to set up an international warning system for such disasters and India is prepared to participate in this exercise.

What was our reason for being part of the core group with the US, considering that we had already launched our relief operations in the region? Was there any signalling involved in this exercise?

The core group was formed in order to facilitate a coordinated effort to deal with the disaster. The fact that India was invited to be a part of this core group was precisely because of the recognition that India had the capabilities, had the resources, in order to help out with the relief efforts in this region.

It is said that our expertise in coping with natural disaster is 'enviably well-developed', with other countries sometimes asking us for help. Is it true?

Our experience of handling natural disasters has indeed enabled us to develop well-defined institutional mechanisms for disaster management at all levels. These institutions swing into action immediately in the aftermath of a disaster. Standard operating procedures for different disasters have been developed and regular drills are organised. A Calamity Relief Fund has been set up in each state to enable governments to incur immediate expenditure on response and relief operations in the event of a disaster. This is supplemented by a National Calamity Contingency Fund at the central level. Eight battalions of paramilitary forces have been equipped as specialist search and rescue teams. This holistic approach was extremely useful in dealing with the aftermath of the tsunami. We've also circulated a document on disaster management which gives in detail our approach and experience.



**003. Valedictory Address by Minister of External Affairs
K. Natwar Singh at Petrotech – 2005.**

New Delhi, January 19, 2005.

Ladies and Gentlemen,

I am told my friend and colleague, Shri Mani Shankar Aiyar, said in his address to the inaugural theme session that he regretted the Ministry of External Affairs seemed to know as little about petroleum as the Ministry of Petroleum knew about diplomacy. He has had to leave for London in his capacity as the "travelling salesman" for the fifth round of our New Exploration Licensing Policy, which he has just launched. I thought I should accept his invitation to deliver this Valedictory Address to reassure all of you of the close and symbiotic relationship that has been built between my concern for the long term security interests of our country and the Petroleum Minister's concern for ensuring our Energy Security.

The reasons for this are simple, even stark: as India marches on the path of sustained economic growth, achieving levels of 6-7% of GDP growth

per annum, its demand for energy, particularly for oil and gas, continues to soar. Today, India produces 32 million tonnes of petroleum per annum, but actually requires 113 million tonnes, a gap of 70%. As our economic growth increases in coming years, this gap over the next five years could reach 75%, and, over the next twenty, top 85%.

India is not alone in its dependence on oil and gas imports for economic growth: the principal industrialised countries, such as the USA, Europe and Japan, are similarly placed. China became a net importer from 1993, and is expected to fuel its growth with very substantial oil imports: by 2010, it is expected to import over 50% of its oil.

The challenge before us is clear: we have to mount a major effort to utilise our technological and financial resources to discover more oil and gas within our national boundaries. In tandem with this effort, we have to set up engagements with foreign governments and companies to establish binding arrangements that will provide us with assured supplies to meet the urgent needs created by our growth.

Here, the tasks of the External Affairs and the Petroleum Ministries coalesce. For, a sustained diplomatic effort has to be mounted which brings together in one gigantic and coordinated national effort all of India's strengths and capabilities which are utilised to establish the engagements required by us. In this effort, our diplomatic strengths buttress the technological and financial capabilities of our petroleum organisations and, in working together, we achieve our national interest. This effort can be described as "oil diplomacy."

Global energy scenario

Let us look at the global energy picture so that we can identify the specific areas which constitute the challenge for our "oil diplomacy":

- (i) Oil will remain the dominant fuel in the primary energy mix, with a share of 40% in 2020. The volume of world oil demand is projected at about 115 mb/d in 2020, compared to 75 mb/d in 1997.
- (ii) The oil resources required to supply the world's growing demand will be concentrated in three regions: the Gulf, Russia and Africa. The Gulf region will continue to play a central role in this regard,

with its share in world petroleum trade increasing from 37% in 2001 to 50% in 2005. However, there will be substantial increases in production and distribution capacities not only in Russia but also in West and Central Africa, principally, Nigeria, Angola, Sudan and Chad.

- (iii) The demand for natural gas will rise at 2.7% per annum up to 2030, and its share in world primary energy demand will increase from 22% to 26%. While world reserves of natural gas are more than sufficient to meet the projected increase, heavy investments will be required to bring the large gas resources to the market, particularly through pipeline and LNG transportation.

India ranks sixth in the world in terms of energy demand. Through the 1990s, it achieved growth rates averaging 6% per annum; over the next two decades, it is poised to grow at 7-8%. To fuel this growth, India's energy consumption, at a conservative estimate, will increase at 5% per annum up to 2010-11. By 2010, India will emerge as the fourth largest consumer of energy, after the USA, China and Japan.

As India is a major importer of petroleum, its oil bill has been an important part of the nation's expenditure. This amounted to \$ 6.5 billion in the year 1998-99, and rose steadily over the years to \$ 20.3 billion in 2003-04. It is expected to be much higher in the current year.

Let us now turn to the domestic oil and gas scenario.

We have now mounted a major effort to expand our domestic production base. The possibility of a sizeable increase in the production of oil and gas within India has brightened recently in view of oil having been found in the Barmer area of Rajasthan and vast reserves of gas offshore the Krishna-Godavari basin. New supplies of gas are also expected from our considerable coal-bearing areas. The latest New Exploration Licensing Policy in the fifth round (NELP-V), along with similar policies in four earlier rounds, under which contracts have been signed covering 90 blocks, all of these are expected to give positive results in the near future.

These are welcome signs of an increase in our internal production of oil and gas. Our technical experts confidently believe that, contrary to the earlier perception, India is substantially endowed with hydrocarbon resources.

The External Challenge

Even as a mammoth effort continues to be mounted to locate new oil and gas sources within India, dramatic and exciting efforts have also been made abroad. This effort is the culmination of policy reforms and reviews undertaken by successive governments in New Delhi over the last 15 years. The setting up of a de-regulated and market-driven oil and gas industry in India was first contemplated by the Government in the early 1990s. As a result of these initiatives, deregulation of the industry commenced in 1997, together with the setting up of the new exploration licensing policy (NELP) in terms of which attractive terms were provided to entice domestic and foreign private companies to take up exploration activity in India.

These efforts culminated, in 1999, with the publication of the Hydrocarbon Vision – 2025. The Vision document set out the roadmap to guide the hydrocarbon sector over the next 25 years. Its key objectives were as follows:

- Secure energy security by achieving self-reliance through increased indigenous production and investment in equity oil abroad;
- Enhance quality of life by progressively improving product standards;
- Develop the hydrocarbon sector as a globally competitive industry through technology up gradation and capacity building in all facets of the industry;
- Promote a free market and healthy competition among players; and,
- Ensure oil security for the country keeping in view strategic and defence coordination.

I am very pleased to note that the Petroleum Ministry, working in tandem with my Ministry and our Embassies abroad, has continued to robustly engage foreign countries in setting up joint ventures and acquiring oil and gas assets as part of our energy security agenda.

The ONGC has acquired a 25 per cent interest in the Greater Nile project in Sudan. It has also acquired an interest in two exploration blocks in Sudan, two blocks in Libya and one in Syria. Our companies have obtained

equity participation in Russia's Sakhalin-I and in Vietnam. Indian Oil will develop a gas block in the gigantic South Pars gas field of Iran and sell LNG from it. India has also made a breakthrough in the Caspian region in an agreement with Russia and Kazakhstan. The exploration will begin in Kurnmangazi oil field. These are encouraging beginnings, but we have a long way to go.

Challenges for India's Oil Diplomacy

India's oil diplomacy has to address two separate but connected challenges: the first challenge is issue-oriented and pertains to larger policy matters, such as: stability in the petroleum market; the issue of oil prices and the need for an Asian market; the establishment of petroleum exchanges; the harnessing of technology, and so on. The second challenge is to set up enduring engagements through the consolidation of existing relationships with foreign countries and companies as also reaching out to and setting up linkages in new areas.

In regard to issue-related challenges, I would like to congratulate Shri Mani Shankar Aiyar for his initiative in organising the recent Round Table of Asian Ministers on Regional Cooperation in the Oil Economy. This pioneering venture, which attracted 12 ministers and deputy ministers from Asia's principal producing and consuming nations, had as its theme: "Stability, Security, Sustainability through Mutual Interdependence".

The Round Table emerged from the central fact of the contemporary situation that Asian countries are now not just the world's principal sources of supply; they are emerging as the world's principal destination for the consumption of that supply. These facts, as was noted by Shri Mani Shankar Aiyar at the Conference, require "fashioning a more fair, more just and more remunerative oil order" in Asia, in which, "the Asian consumer is assured a stable, secure and sustainable regime" within which to promote, progress and prosper.

The setting up energy-related engagements by consolidating existing relationships and reaching out to new areas constitutes a special challenge to oil diplomacy. India is well-placed in respect of the principal sources of global supply. India has historic links with the Gulf region, which is not only our principal supplier but the principal supplier of oil to the world. Happily, our ties with this region have continued to be refreshed over the decades

and have been imparted a substantial contemporary value. This region already is home to an Indian diaspora numbering over 3.5 million; it is also our principal economic partner, with which we have a two-way economic relationship valued at over \$ 20 billion per annum. Our ties with this region are now being sustained by joint venture projects not only in the energy sector, but also in the areas of industry, infrastructure, information technology and management consultancy.

The other principal source of global energy is Russia. We have very special historic relations with this country, which played a pioneering role in setting up India's oil and gas infrastructure over 50 years ago. It is a matter of considerable satisfaction that India has attempted to repay this debt by investing in the development of Russia's oil and gas sector in Siberia by acquiring a 20% stake in Sakhalin-I. Negotiations are on to significantly expand India's investment in Russia's energy sector.

Africa, the third principal petroleum source, provides a special opportunity to us. We have had traditional ties with Africa, having participated in its anti-colonial struggle. Now, with the emergence of African countries as major petroleum producing states, the challenge before us is to build upon the goodwill that already exists. Sub-Saharan Africa holds 7% of the world's oil reserves and comprises 11% of world oil production. Of the eight billion barrels of crude oil reserves discovered worldwide in 2001, seven billion were in West and Central Africa. In terms of oil production, Sub-Saharan Africa would increase from the current output of 3.8 million barrels per day to 6.8 million barrels per day in 2008. The challenge before both the Ministries of External Affairs and Petroleum is to engage in a deeper diplomatic dialogue with the principal African countries so that the traditional goodwill is leveraged into long-term energy-based engagement.

The other area where India's energy-related diplomacy has recently penetrated is Latin America. The mechanisms of the oil market are such that oil assets do not necessarily have to be brought back to India and consumed here; they can be sold in other markets which require them. Thus, India has established significant energy-related stakes in Venezuela, and is pursuing new opportunities vigorously in Columbia, Cuba, Ecuador, Trinidad-Tobago, as well as Brazil and Argentina.

Oil Pipelines

One of the most significant challenges before Indian diplomacy is

the setting up of trans-national oil pipelines that would economically carry natural gas from supply points thousands of kilometres away and reach India by crossing different countries. India has before it three specific pipeline proposals:

- (i) the Myanmar-Bangladesh-India pipeline;
- (ii) the Iran-Pakistan-India pipeline; and,
- (iii) the Turkmenistan-Afghanistan-Pakistan-India pipeline.

All the three pipelines are attractive techno-economic proposals and have the ability to meet the pressing energy requirements of the countries through which they pass, besides providing urgently required financial resources to the supply and transit countries. These pipeline proposals have within them the ability to qualitatively transform the relationships of the countries of the region. In this regard, I applaud the progress made recently in Yangon, in the development of the Myanmar-Bangladesh-India pipeline, in which Minister Aiyar played a significant role. I am also aware of the important discussions that have taken place recently between the Iranian and Indian Petroleum Ministers on the Iran-India pipeline.

The Indian ruler, Sher Shah Suri, is recalled today not because of his success on the battle field, but because he envisaged and established, 400 years ago, the Grand Trunk Road that stretched over hundreds of kilometres, from Patna in the East to Peshawar in the West, linking millions of people who used this facility to exchange goods and ideas, move comfortably on pilgrimages, and, when the need arose, to migrate to new towns. I see in these pipelines the same potential to link our region and set up a new paradigm in regional cooperation and friendship. Indeed, with the use of modern technology and investment, they can constitute the vibrant arteries of our progress and prosperity.



004. Excerpts from the Address by President Dr. A.P.J. Abdul Kalam to the Budget Session of Parliament.

New Delhi, February 25, 2005.

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Honourable Members, my Government's foreign policy is based on the centrality of national interests in the conduct of our external relations and the pursuit of our economic interests. The Government has taken important initiatives, keeping in mind the imperative of retaining our freedom of options, remaining alive to our concerns. The Government's efforts have contributed to making the international environment for India's development more secure. We have articulated our positions and views clearly so that India's foreign partners have a better appreciation of the logic of our position on issues of importance to us.

My Government has accorded primary attention to relations with our neighbours and strengthening SAARC. It is my Government's earnest desire to work with all our neighbours to create a neighbourhood of shared prosperity and peace. We will reaffirm the importance we attach to realizing the potential inherent in SAARC at its forthcoming Summit meeting. Our approach to our neighbours is founded on the conviction that the peoples of our region have a desire for enhanced cooperation, overcoming perceived barriers and inhibitions. Our effort will be to consolidate and expand traditional friendship while we work to nurture newer partnerships. We value our especially close relationship with Bhutan and we will strive to build on this. We have had the privilege of a special and warm relationship with Bangladesh. India was among the earliest to rush relief and assistance to both Sri Lanka and Maldives, which suffered the impact of the tsunami. This even while we ourselves were coping with the effects of the tsunami in our coastal areas, and assessing the extent of our damage, demonstrates the importance, we attach to these relationships and our commitment to good neighbourly ties. The Comprehensive Economic Partnership Agreement with Sri Lanka will further deepen our economic cooperation. President Karzai's recent visit will strengthen our participation in Afghanistan's reconstruction efforts.

Our relations with Pakistan are of utmost importance in our

endeavour to create a neighbourhood of peace, stability and prosperity. We are engaged in a serious dialogue with Pakistan and have taken several initiatives in furtherance of that. In proposing a range of steps, including Confidence Building Measures that may be taken in the near term, leading up to longer term economic cooperation, we are responding to the felt desire of our peoples. However, the process of normalisation is critically dependent on Pakistan fulfilling its assurance that it would end its support to terrorist activities.

The India-Pakistan process was recently taken significantly forward. An agreement was reached to start a bus service between Srinagar and Mu-zaffar-abad. It was also agreed in principle to start bus services between Lahore and Amritsar, including to religious places such as Nankaana Sahib. Pakistan also agreed to work towards early restoration of the Kho-krapar to Munabao rail link. These measures would enhance people to people contacts, which have also provided palpable support to the present process.

Our relationship with Nepal will continue to receive high priority and it remains our view that the problems that Nepal faces today, can only be addressed by a constitutional Monarchy and multi-party democracy working together harmoniously on the basis of a national consensus. India has expressed grave concern following the dissolution of the multi-party Government, declaration of emergency and arrest of political leaders by His Majesty, the King of Nepal on February 1, 2005.

We greatly value our relations with our major economic partners. India-US relations are on a steady course as they draw on the enduring affinity between our two countries as democracies and as strategic partners. We will continue to build upon the convergences in this relationship, strengthening our bilateral economic interface and the vibrant people-to-people contacts. Our ties with the European Union and its 25 member states have expanded steadily, and on our part, we will work to add momentum to the strategic partnership on which we have embarked, including at the next India-EU Summit in New Delhi this year. We value our time tested and strategic partnership with Russia, which was strengthened by the recent visit of the President of the Russian Federation. The depth of our cooperation illustrates the priority we attach to deepening and consolidating this important relationship. My government has sought to accelerate our dialogue and

engagement with China and we look forward to the visit of its Premier as an important bilateral landmark.

The "Look East Policy" has substantially strengthened our linkages with Japan, the member countries of ASEAN and the Republic of Korea. We expect the forthcoming visit of the Prime Minister of Japan to be a significant event in our bilateral ties. Our relationship with ASEAN has taken on new dimensions and we hope to realise its huge potential. India's effective presence at the ASEAN Summit in November 2004 and the success of the first BIMSTEC Summit in July 2004, helped us forge closer links with our eastern neighbours.

The convergence of our foreign policy and our domestic needs is striking in the context of our energy security. My Government will give full importance to synchronizing our diplomatic activity with our need for energy to fuel our developmental needs. Our established and traditional interests in West Asia, the Gulf and proximate regions, including the substantial presence there of our citizens, shall continue to be reflected in our interactions. We remain committed to the efforts of the international community in finding a just and durable solution to the problems that have faced the Palestinian people, so that they may achieve a State of their own. At the same time, we attach high importance to our friendly relations with Israel, which we hope to strengthen and diversify.

The forthcoming 50th anniversary of the Bandung Conference, will be an important occasion to recall an historic initiative taken at a time when the process of decolonisation was starting to gather strength and which prefigured the values of the Non-Aligned Movement. In this spirit, we will continue to pursue the comprehensive exercise to broaden the range of our relations with countries in Africa and Latin America, on which we have embarked. We will also reaffirm our commitment to the values of the Commonwealth at its Summit meeting in November this year.

This year, we also mark the 60th anniversary of the end of the Second World War and the founding of the United Nations Organization. It is our firm belief that the problems that confront the world today are truly global and are problems without borders, which call for collective approaches. We will play an active and constructive role in all deliberations of global concern. There is growing recognition of India's legitimate aspiration to play a larger

role in the UN, consistent with our status and strength. We attach importance to the process of reform of the United Nations as part of the necessary renewal of the Organisation and we intend to articulate forcefully our aspiration to permanent membership of the UN Security Council.

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005. Speech by Prime Minister Dr. Manmohan Singh at *India Today* Conclave.

New Delhi, February 25, 2005.

Mr. Aroon Purie, Distinguished Ladies and Gentlemen,

I am delighted to be here with you this evening at this conclave, which has now become such an integral part of the calendar of Delhi.

At the outset, I would like to congratulate you both for the original initiative behind the *India Today* Conclave, and for persevering with this event. This Conclave facilitates a dialogue between civil society and representatives of Government and between Indian and foreign scholars, thinkers, academics and leaders. I welcome such opportunities because the real strength of our democracy lies in our ability to conduct such a dialogue on a continuing basis. The test of the vibrancy and resilience of a democracy is not just the ability to conduct elections and convene legislatures. It lies in a society's ability to communicate with itself and with the outside world through civilized modes of interaction. We are, like any real democracy, an argumentative society. The right to disagree and the freedom to debate is a hallmark of such societies. I therefore value these opportunities where contending and contentious ideas can be considered in a calm manner.

I also congratulate the India Today Group on its emergence as the world's window on India. However, I do believe that with your global reach, your organization should increasingly seek to become India's window to the world as well. For this, it is essential that leading media organizations must invest in Indian correspondents overseas to offer your readers an

Indian perspective on international affairs. For India to be more meaningfully engaged with the world, we need an informed Indian view of world events and an Indian perspective on global trends.

Ladies and Gentlemen,

In the nine months that our Government has been in office, I have frequently spoken about our agenda and priorities in office. I sincerely believe that our people voted for the United Progressive Alliance because they wanted government to adhere more closely to the fundamental principles of our Republic. Our Nation was built on the foundations of a deep and abiding commitment to the values of liberal, social democracy. Pluralism, secularism, multi-culturalism and the principles of equity, social justice and the rule of law are core values of our civilization and the bedrock of our Republic.

Many in India and abroad who have admired this legacy of our freedom struggle were deeply concerned by the emergence in recent years of communalism and majoritarianism in our body politic. If these insidious trends had not been checked, India would not have been the India that our freedom fighters had sought to create. There are bound to be voices of intolerance and extremism at the margins of any free society, and a democracy must learn to deal with such fringe groups, albeit within the framework of the rule of law. However, the central tendency of any modern and civilized society today can only be towards pluralism. We must build an inclusive polity and a caring society.

If there is an “idea of India” by which India should be defined, it is the idea of an inclusive, open, multi-cultural, multi-ethnic, multi-lingual society. I believe that this is the dominant trend of political evolution of all societies in the 21st century. Therefore, we have an obligation to history and mankind to show that pluralism works. India must show that democracy can deliver development and empower the marginalized. Liberal democracy is the natural order of political organization in today’s world. All alternate systems, authoritarian and majoritarian in varying degrees, are an aberration.

Ladies and Gentlemen,

While all democratic societies do face internal challenges for a variety of reasons, the particular advantage of democracies lies in their ability to

handle such situations with maturity. Our own experience has shown us that democratic methods yield the most enduring solutions to the most intractable problems. Authoritarian responses cannot solve the real problems of the people or make life worth living. They merely contain the fall-out often for very limited periods of time; and with possible negative consequences that make the remedy worse than the disease. In the particular context of the turbulence in our neighbourhood, it is a matter of particular pride for us to have received this week the President of the youngest democracy in our region. I refer to President Karzai of Afghanistan, who has shown great courage in sowing the seeds of democracy. We are confident that the friendly people of Afghanistan will reap the fruits of this political evolution, in their long-awaited tryst with peace.

Ladies and Gentlemen,

If our commitment to remain an open society is one of the pillars of our nationhood, the other is our commitment to remain an open economy. An economy that guarantees the freedom of enterprise, respects individual creativity, and at the same time mobilizes public investment for social infrastructure and the development of human capabilities. Indeed, it would be no exaggeration to suggest that these are the principles to which all countries will increasingly want to adhere. In relating to the world, we must never lose sight of this vital aspect of our Nationhood.

Just as developed industrial economies enabled "Economies in Transition" to graduate into open economies, developed democracies should also assist "Societies in Transition" to become open societies. I believe India's policies towards the world have been shaped by this commitment to the core values of our Nationhood. We should be proud to identify with those who defend the values of liberal democracy and secularism across the world.

Ladies and Gentlemen,

Over the past decade and more, the debate in this country on the nature of our interaction with the world, with our wider Asian neighbourhood and with Major Powers, has also been shaped by the sweeping changes in our economic policy. The initiatives we took in the early 1990s towards economic liberalization have not only altered the nature of our interaction with the world, but have also shaped global perceptions of India. Indeed,

they have shaped more than mere perceptions. They have also altered the manner in which other nations, big and small, relate with us. Today, there is a greater willingness internationally to work with India and build relationships of mutual benefit and mutual inter-dependence. This augurs well for our development and security.

The steps that successive governments have taken since 1991 have helped to finally remove what development planners used to refer to in the 1960s and 1970s as the “external constraint” on growth. Indian industry and our professionals have demonstrated to the world their ability to step out with confidence from a highly protected environment into a mercilessly competitive one. We do have a vast unfinished agenda of social and economic reform and development, as outlined in our National Common Minimum Programme (NCMP), and our Government’s highest priority will be to implement this. Doing so will further enable us to deal with the challenges of globalization.

Ladies and Gentlemen,

I submit to you for your consideration the idea that the global environment has never been more conducive for India’s economic development than it is today. The world wants India to do well. However, we recognize that our real challenges are at home. It is for this reason that the NCMP places such great emphasis on increasing investment in infrastructure, agriculture, health and education, urban renewal and the knowledge economy. Having ensured that there is today no external constraint on growth, we must now ensure that there remain no internal constraints to development. That is what the NCMP aims to achieve.

To say, however, that the external constraint on growth is no longer binding is not to suggest that we are making full use of the new opportunities. There is much more we can do to draw on global savings and to tap global markets. As a developing economy we must draw on international resources to fuel our development. We should be more open to global capital flows and better prepared to take advantage of new markets for goods and services. India is wholly committed to multilateralism in trade. But we will seek the reform and democratization of multilateral institutions. At the same time, India will strengthen South-South co-operation aimed at enabling all nations of the South in regaining their rightful place in the comity of Nations.

Ladies and Gentlemen,

Globalization is both an opportunity and a challenge. A decade ago, who could have imagined that India would be a major software services exporter and that a new process of “brain gain”—not “brain drain”—would be created by opportunities in these sectors. However, we must ask ourselves, are we doing enough to secure this edge? The growth of our knowledge economy has opened up new markets for science and technology based products. Again, are we doing enough to encourage this process? In manufacturing too there are global opportunities that we must tap. The end of the multi-fibre agreement opens up new opportunities for trade in textiles. We must ensure that we are ready to take advantage of these openings.

We would like to make globalization a win-win game. How we deal with the challenge of globalization and how we make use of its opportunities will shape our relations with the world, and the perception of our capabilities as a nation. I do believe that this has already happened in substantial measure. Our relations with major powers, especially the United States and more recently China, have increasingly been shaped by economic factors. Who could have imagined a decade ago that China would emerge as our second largest trade partner? In the case of the U.S., an acceleration of people-to-people contact and the consequent business-to-business interaction has forged closer State-to-State relations. Shared values and growing economic links have enabled a closer strategic engagement.

Similarly, business and commerce also underpin our strategic partnership with the European Union. It must be our endeavour to ensure that economic and commercial links contribute to adding a strong and new element in our traditionally friendly relations with Russia. In fact, I believe that our strategic relationship with the Russian Federation can be greatly enriched by a greater focus on our bilateral economic relations. Even our approach to the wider Asian neighbourhood has been so influenced by economic factors. The countries of East and South-East Asia have become important economic partners for us and this has encouraged them to be more welcoming of us. Renewed cooperation in the economic field is giving a new profile to our relations with Japan, with aid and investment flows from Japan set to increase. Our concern for energy security has become an important element of our diplomacy and is shaping our relations with a range of countries across the globe, in West Asia, Central Asia, Africa and

Latin America.

It is also interesting to note that the response of other countries to our national security concerns is being shaped by perceptions of business and economic opportunities. Countries that imposed sanctions on India when we declared ourselves a nuclear weapons power are building bridges with us, to utilize opportunities for mutual economic benefit. There is today growing recognition of India as a responsible nuclear power. We remain committed to our unilateral moratorium on testing, and our policy of no-first use. We reaffirm our willingness to work with the international community to prevent the proliferation of weapons of mass destruction, and to work towards the ultimate goal of universal nuclear disarmament.

Ladies and Gentlemen,

Regrettably, however, South Asia has been slow to recognize the win-win aspect of economic cooperation. While India has a set of bilateral relationships with its neighbours that vary in both political and economic intensity, the mere lowering of tariffs and pruning of negative lists does not add up to creating relations of mutual benefit. Greater connectivity, both in transport and communication links, and through the opening up of transit routes can transform our sub-continent into a web of economic and commercial links. We can jointly create reciprocal dependencies for mutual benefit. So far this potentially benign process has been hobbled by narrow political calculations. We sincerely want to promote a sense of partnership and the vision of a common destiny in South Asia to realize the region's latent potential.

None of us in South Asia can under-estimate the role of economic inter-dependence in international relations. The example of the European Union, ASEAN and APEC, NAFTA and other regional groups shows that the most dynamic economies of the world are creating such relationships for mutual benefit, regional security and peace. Indeed, we seek to be more closely engaged with such regional groups. Our links with each of these regions is both civilizational and contemporary, with people of Indian origin acting as a cultural bridge between our multi-cultural societies.

Ladies and Gentlemen,

The idea that economic considerations play a role in shaping a

Nation's foreign policy is not new. We in India were alerted to this reality at our very birth as a Republic when Panditji (former Prime Minister Jawaharlal Nehru) first articulated his vision of Indian foreign policy in the Constituent Assembly legislature in December 1947. Panditji had said, and I quote:

“Talking of Foreign policies, the House must remember that these are not just empty struggles on a chess board. Behind them lie all manner of things. Ultimately, foreign policy is the outcome of economic policy It is well for us to say that we stand for peace and freedom and yet that does not convey much to anybody, except a pious hope. We do stand for peace and freedom Undoubtedly it has some substance, but a vague statement that we stand for peace and freedom by itself has no particular meaning, because every country is prepared to say the same thing, whether it means it or not. What then do we stand for? Well, you have to develop this argument in the economic field.”

I submit to you that India has indeed developed this argument in the economic field. Our foreign policy is of course shaped by our civilizational values and our commitment to peace and freedom. But, as Panditji said, it is equally shaped by our commitment to our economic development and to the development of all developing economies, within the framework of an open society and an open economy. It is shaped by our yearning to recover our lost space in the global economy and our economic status in the comity of Nations. It is shaped by our desire to build bridges with our neighbours and our economic partners. It is shaped by our firm and sincere commitment to a future of shared peace, freedom and development in our neighbourhood.

Such are the principles on which we should engage the world and our partners. India is destined to recover its due status in the world, but this process will be speeded up if we do what we must at home and build bridges of mutual inter-dependence with the world. I leave you with this thought as you proceed with the rest of your very interesting discussions and interactions with the distinguished speakers at your Conclave. I hope your efforts will throw more light on how we should deal with the challenges ahead.

Thank you and I wish your deliberations all success.



006. Declaration of the G-20 Conference adopted at the conclusion of the ministerial meeting.

New Delhi, March 21, 2005.

1. G-20¹ Ministers at their meeting in New Delhi on 18-19 March 2005 recalled that the Group's identity is deeply linked to the development dimension of the Doha Round. Agriculture is vital for all developing countries and is central to the Doha Development Agenda. Our common goal is to put an end to trade-distorting policies in agriculture maintained by developed countries thus, contributing to growth and development of developing countries and their positive integration into the world trading system. This would be a major contribution to the development objectives of the Round.

Road to Sixth Ministerial Conference

2. Ministers recalled the crucial role played by the Group during the negotiating process in the lead up to the 'July Framework' in 2004, and stressed that the G-20 will continue to participate actively and constructively in the negotiations.

3. Ministers reaffirmed their commitment to advance the Doha Round of trade negotiations in 2005 with a view to arriving at an agreement on modalities during the Sixth WTO Ministerial Conference to be held in Hong Kong, China in December 2005. This is a necessary step in order to complete the negotiations by 2006. Such modalities must be compatible with the July framework and in line with the mandate contained in the Doha Declaration.

4. Ministers stressed that agriculture negotiations have multiple dimensions and are technically complex. These negotiations should be

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1. Argentina, Brazil, Bolivia, Chile, China, Cuba, Egypt, Guatemala, India, Indonesia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, South Africa, Tanzania, Thailand, Uruguay, Venezuela, and Zimbabwe.
 2. The G-20 ministers met again in Pakistan in September to take stock of the distortions in the global agricultural market caused by huge government subsidies in the USA and the West. On that occasion Indian Commerce Minister had said that G-20 had a vital role in protecting the interests of the poor farmers. Later at a news conference he said that the G-20 bloc accounted for 70 per cent of the global farming community and the West should not be allowed to dictate policies detrimental to the poorer sections. He cautioned against converting the Doha Round from a Development Round into a Market Access Round. "Talks of progression within bands is nothing but reintroduction of the concept of harmonisation in market access, a concept which was rejected at the mini ministerial held at Dalian, China in July this year," he said.

intensified to stimulate progress in all other areas of negotiations. They highlighted that the G-20 is committed to a balanced first approximation of the modalities by July 2005, which should be sufficiently detailed to achieve the objective of full modalities by the Sixth Ministerial Conference.

Negotiating Process

5. In view of the specific nature of issues under discussion and the need for technical support from experts, Ministers underlined that a “bottom-up” approach is required so that texts will evolve from a participative negotiating process. This is an essential element for securing a legitimate outcome to these negotiations to the benefit of the whole Membership. Ministers acknowledged that the Geneva process may need to be supported by other forms of engagement provided they are conducted in a transparent and inclusive manner. Such interventions, including through Ministerial involvement, should be timely, well-prepared and should take up issues which are ripe enough for political decision.

Negotiations on agriculture – substantive issues

6. It was noted that negotiations under the Special Session of the Committee on Agriculture are under way. The Chairman’s negotiating process presently provides an adequate balance between identification of issues, scoping and drafting of documents while ensuring transparency, inclusiveness and efficiency in the work. Ministers stressed that the assessment of the progress of work to be undertaken by July 2005 will constitute an important milestone for defining the scope and perspectives of the Ministerial Meeting.

7. Ministers reiterated that special and differential treatment for developing countries is an integral part of all elements of the negotiations@.

8. Ministers recalled the statement made by the G-20 during the December 2004 Special Session of the Committee on Agriculture on the need to observe necessary sequencing of issues identified in the ‘July Framework’ so as to ensure progress in each of the three pillars.

Cotton

9. Ministers underlined the importance of cotton for many WTO members, particularly the African countries that are cotton producers. In

this regard, Ministers reiterated the urgent need to address this issue in accordance with the 'July Framework'. Ministers requested that work in the Sub-Committee on Cotton be expedited so that effective measures are included in the July 2005 first approximation. They stressed the need to provide urgent development assistance in view of the recent aggravation of the decline in the international cotton prices.

10. Ministers expressed satisfaction with the recent Appellate Body decision on cotton, which substantiates the need for urgent reform of trade distorting measures in agricultural trade, which have such a negative impact on developing countries.

Domestic support

11. Ministers stressed that, in order to fulfil the mandate of "substantial reductions in trade-distorting domestic support" negotiations should determine base periods and initial and final numbers for the overall trade-distorting domestic support in a technically consistent and politically credible manner. It was noted that significant reductions will be required to address inflated baselines and to arrive at effective reductions that address the need for removing distortions in agriculture trade. Moreover, such reductions should be necessarily complemented by further disciplines in the Blue Box and the Green Box in order to avoid mere box shifting.

12. Ministers reiterated that any change in the Blue Box (Article 6.5 of the Agreement on Agriculture) is contingent upon agreement on additional criteria in order to make it substantially less trade-distorting than it is now. They also stressed the Group's active participation in the review and clarification process of the Green Box in order to ensure that no, or at most minimal, trade-distorting effects or effects on production will be generated by any direct payments claimed to be exempt from reduction commitments. It was highlighted that such policies in developed countries must fully comply with the criteria set out in paragraph 1 of Annex 2 of the Agreement on Agriculture.

13. Ministers stressed that Green Box should be reviewed and clarified to include specific provisions designed to accommodate genuine agriculture and rural development programmes of developing countries aimed at alleviating poverty, promoting agrarian reform and settlement policies, and ensuring food security and addressing livelihood security needs. Further,

for facilitating implementation of Green Box measures in developing countries, their special circumstances would also need to be taken into account.

14. Given that *de minimis* support is the only form of support available to farmers in most developing countries, Ministers cautioned against any attempt to reduce *de minimis* support in developing countries as this would negatively affect the programmes benefiting subsistence and resource poor farmers. Ministers noted that the amounts of support in developing countries are insignificant when compared to those in developed countries and, therefore, should not be subject to reductions.

Export competition

15. Ministers noted with concern the recent reintroduction of export subsidies by some Members, which goes against the spirit of the Doha mandate. They therefore called for an immediate standstill commitment on all forms of export subsidies.

16. Ministers expressed that in the export competition pillar, a key decision to be taken is the date of elimination of all forms of export subsidies. They urged countries that apply such instruments to eliminate them in a period no longer than five years and with a front-loading of commitments. An early agreement would inject new momentum to the agriculture negotiations and make progress easier in other fronts. They stressed the need to develop new disciplines on export credits, export credit guarantees and insurance programmes and food aid so that these instruments are not used in a way as to displace exports or to promote surplus disposal.

17. Ministers also recalled the need for making operative the 'July Framework' provisions for special and differential treatment including State Trading Enterprises and the concerns of Net Food Importing Developing Countries (NFIDCs) as provided in the Marrakesh Decision.

Market access

18. Ministers noted the crucial importance of conversion into *ad valorem* equivalents (AVEs) for the completion of the core modality – tariff reduction formula. Ministers stressed that treatment of non-*ad valorem* (NAVs) duties should clearly spell out the methodologies used for conversion so that the verification process does not become cumbersome. While cautioning against

attempts at hiding the true level of protection in this exercise and stressing the non-negotiable nature of this issue, Ministers stressed the need to finally bind all NAV duties into *ad valorem* terms.

19. Ministers reaffirmed the long held view of the G-20 that the tariff reduction formula is the main component of the market access pillar and should be negotiated before addressing the issue of flexibilities. In this regard, they underlined that the tariff reduction formula must contain: (i) progressivity – deeper cuts to higher bound tariffs (ii) proportionality – developing countries making lesser reduction commitments than developed countries and neutrality in respect of tariff structures; and (iii) flexibility – to take account of the sensitive nature of some products without undermining the overall objective of the reduction formula and ensuring substantial improvement in market access for all products.

20. Ministers strongly stressed that special and differential treatment for developing countries must constitute an integral part of all elements with a view to preserving food security, rural development and livelihood concerns of millions of people that depend on the agriculture sector.

21. Ministers emphasized that the concepts of Special Products and Special Safeguard Mechanism are integral elements of special and differential treatment for developing countries. Ministers reiterated their commitment to work together with the G-33 and other interested Groups to render effective and operationalise these instruments.

22. Ministers stressed that the elimination of tariff escalation is important for developing countries, as it would allow them to diversify and increase their export revenues by adding value to their agricultural production.

23. Ministers reiterated that SSG (Article 5 of the AoA) was conceived as a transitory exception and therefore should be eliminated.

24. Ministers recalled that modalities for fullest liberalization of tropical products by developed countries are long overdue commitments, which remain to be addressed and honoured.

25. Ministers noted with concern the increasing use of Non-Tariff Barriers by developed countries, which are acting as impediments to exports of products of interest to developing countries.

26. Ministers recognised that preferences, which are of importance to many developing countries, are being eroded by both regional and multilateral liberalisation. Ministers agreed that preference erosion should be addressed in the negotiations, in accordance with the provisions of the 'July Framework', and requires mainstreaming the development dimension in the multilateral trading system through (i) expanded market access for products which are of vital export importance to the preference beneficiaries; (ii) effective utilisation of existing preferences and (iii) additional financial assistance and capacity building to address supply constraints, promote diversification and assist in adjustment and restructuring.

Related issues

27. Recognising the special needs of Least Developed Countries, Ministers highlighted their support for provisions exempting them from any reduction commitments and for steps to be taken to promote the export capacities, including the need to address the supply constraints of LDCs. Ministers stressed that it should be ensured that LDCs make meaningful gains in each of the three pillars.

28. Without creating any new categories of developing countries, Ministers agreed that the concerns of small, vulnerable economies must also be effectively addressed as part of the Work Programme mandated in paragraph 35 of the Doha Ministerial Declaration.

29. Ministers stressed that concerns of Recently Acceded Members must be effectively addressed through specific flexibilities provisions in all pillars.

30. Ministers noted that disciplines on export prohibitions and restrictions in Article 12:1 of the AoA will be strengthened. These negotiations must ensure that these rules are not circumvented, nor applied to developing countries in a discriminatory manner.

31. With regard to each of the three issues mentioned in paragraph 49 of the 'July Framework', Ministers reaffirmed that there was no agreement to include them in the negotiations.

32. Ministers reaffirmed the importance of enhancing the monitoring and surveillance mechanisms as a fundamental improvement to be introduced in these negotiations.

Strengthening dialogue

33. Ministers emphasized that the G-20 is actively engaged in an intense dialogue with other Groups and individual Members. In this regard, G-20 Ministers welcomed the invitation to the Coordinators of the Africa Group, ACP Countries, CARICOM, G-33 and LDCs to the Meeting. Ministers strongly believe that such coordination will contribute significantly towards realising the development dimension of the Doha Work Programme. In this regard, Ministers cautioned against any move that would create divisions among developing countries, including through further categorisation.

34. Ministers resolved to stay in close contact with each other to take stock of important developments with a view to taking coordinated and timely action in the negotiations. They further agreed that G-20 Ministers participating in other events would take these opportunities to meet among themselves at the margins of such meetings and keep their colleagues informed of the deliberations.

35. Ministers exchanged views on other negotiating issues in the Doha Work Programme in light of the inter-linkages inherent in the single undertaking.

36. Ministers thanked the Government of India for the efforts deployed to organise this Meeting and for the warm hospitality of the Indian people.



007. Interview¹ of Prime Minister Dr. Manmohan Singh to *Le Mauricien*.**New Delhi, March 30, 2005.**

[In the first part of the interview devoted to bilateral relations between India and Mauritius, the Indian Prime Minister Manmohan Singh suggests that these relations must be perceived from a point of view broader than that of a simple commercial relationship. He says that he is aware of the problems that the Mauritius economy faces at the current juncture. Without disputing the fact that the dismantling of the Multi-fibre Agreement puts Mauritius exports at risk, he informs that he intends to take advantage of the visit that he begins today to "acquaint myself with these problems and the measures that Mauritius is taking to cope with them". During the interview granted to *Le Mauricien* last Monday in New Delhi, the Head of the Indian Government also evokes the message of India for the world, the consolidation of secularism in India and economic performance of the country during the last year. In the concluding part of the interview, Mr. Singh enumerates the reasons that provide hope for a normalization of relations between his country and its neighbour Pakistan.]

Mr. Prime Minister, when this interview appears, you will already be in Mauritius for a visit during which you will inaugurate two very strong symbols of cooperation with India. This partnership obviously does not depend on the identity of the government of date in one country or the other. To what do you attribute this privileged relationship between our two countries?

Since long, India and Mauritius have maintained a tradition of mutually beneficial cooperation. In India, we have always accorded the highest priority to the welfare and prosperity of Mauritius. We are partners in meeting the challenges of globalization and in using the opportunities globalization offers us for national development. India is committed to provide Mauritius with any assistance possible to enable your country to acquire the necessary capacities and strengths to take up these challenges. The infrastructure that you referred to, in particular the Cyber Tower indeed symbolizes our will to provide Mauritius with the necessary means to meet these challenges.

1. Unofficial translation from French.

The present Foreign Secretary, Shri Shyam Saran is considered in Mauritius to be the Indian High Commissioner who first envisaged a new relevance for Indian diplomacy on the island, passing from celebration of common cultural heritage to economic ambition. Incidentally that was at a time when, Mr. Prime Minister, you initiated a transformation in the fundamentals of the Indian economy. Fourteen years after your reforms, India is a real economic power. How does tiny Mauritius still fit in this perspective?

India has historical ties with Mauritius. They are underpinned by bonds of friendship, common heritage and common perspective towards international issues. No doubt, the population of Mauritius is comparatively small but this in no way detracts from the importance which we attach to strengthening of our relationship with it. Our assessment of current cooperation leads us to conclude that there is a bright prospect in the future. Presently, we are working on the draft Comprehensive Economic Cooperation and Partnership Agreement which will open the door for free exchange of goods and services while increasing capital flows. We hope, on the Indian side, to reach an agreement with the Mauritian government for early implementation of the report of the joint study on this issue.

On the domestic front, India has chosen to introduce the Value Added Tax (VAT) and several states are doing so on April 1. Has the motivation been improved revenue collection or greater transparency in commercial transactions?

We cannot exclude that in the long term VAT is a measure to improve collection of revenue. Moreover, by helping remove rigidities in the earlier system of indirect taxation (Sales Tax), it also makes it possible to better fight tax avoidance. Finally, because of the way it works, VAT should enable our companies to produce less expensively and thus be more competitive internationally.

The Mauritian who goes to India cannot help but be struck by the reasonable prices of consumer goods of good quality, which seem to defy competition. How do you explain that despite excellent relations between our two countries, one finds very few industrial products from India in the Mauritian market?

It could be that our entrepreneurs and industrialists are not

aggressive enough. However, on the eve of my visit to Mauritius, I want to emphasize that I see our relationship and our cooperation from a point of view much broader than international trade. Our relations are based on a common secular heritage, a shared culture and common core values. It is really from this point of view that I perceive the essential of relations between our two countries. Even while keeping in sight all that links us traditionally, it is possible at the beginning of the 21st century for us to deepen our partnership and face the challenges of globalisation.

In the context of globalisation and the disappearance of preferential arrangements, you are probably not unaware, Shri Pradhan Mantri, that the dismantlement of the Multi-Fibre Agreement and the free access of Indian and Chinese textile products to hitherto protected markets puts Mauritian companies in danger. What type of partnerships can you envisage to assist Mauritius in this difficult phase for its economy?

We are aware that the Mauritian economy is facing certain problems at the present juncture. During my forthcoming visit I will get an opportunity to acquaint myself with these problems and the measures which Mauritius is taking to cope with them. We will be happy to do what we can to help Mauritius to tackle these economic difficulties.

Could we look forward to Indian expertise in the area of sugarcane biotechnology and production of ethanol? These areas are in the news in Mauritius because of the threat to the price of sugar.

During my visit we will be considering the possibilities of cooperation in various sectors. We will give careful consideration to the various proposals which the Mauritian authorities make to enhance bilateral cooperation between the two countries. We possess certain expertise and know-how in the field of sugarcane processing and utilizing its byproducts for industrial purposes. Our experts will definitely consider whether there is scope for fruitful cooperation between India and Mauritius in the two areas mentioned by you.

These sectors in difficulty that we have discussed are often led by influential Mauritians who have real economic weight but who do not respond spontaneously to the factors behind the close relations between India and Mauritius. How can the India of the 21st century

better reach out to these Mauritians who do not respond automatically to emotional links between our two countries?

Here again I would answer your question from a broader prospective. I think that the India has a message for the world of today and this message is very relevant to the age of globalization. This message is from a democracy, a State that believes in Rule of Law and in ensuring strict equality for all its citizens irrespective of differences of language, culture or religion. This is the message and it is addressed to all.

In this regard, Mister Prime Minister, when the present majority in the Lok Sabha was constituted, it was presented as a secular force. Ten months after your coming to power, how do you evaluate the secular consolidation of Indian society under your leadership?

When the Indian Republic was proclaimed, we gave ourselves a Constitution based on a commitment to secularism. Our national identity is based on the principles of pluralism and multiculturalism just as it is based on equal respect for all religions. For centuries, India was the land of all the great religions of the world. That allows us to say that the very idea of India is woven with the idea of secularism. I think that the government that I head was firm in its resolution to reinforce this idea and to defend its principles.

In May 2004, in the days following the results of elections, the Bombay Stock Exchange reacted quite negatively, wiping a good chunk of market capitalisation. Both as a democrat and a market-friendly economist, what is your opinion on this apparent " second ballot " traders feel allowed to cast after universal franchise has been exercised?

Markets often tend to react everywhere to political events on the basis of short-term calculations. This is not a value judgment that I make but a factual observation. When our government was constituted last year, our coalition was new. There was an impression of novelty, of something untried, about a Congress government supported by the parties of the Left committed to communism. There may have been an element of uncertainty, even nervousness, regarding the policies we would adopt. These fears, however, were quickly dispelled. In all democracies governments must remain conscious of the nature of their popular mandate even as they remain sensitive to the reactions of the markets. I do not necessarily see the

contradictions between the mandate conferred by the voters and the expectations of the market. On a personal note, I would say that I was not unduly disturbed at the news of the drop in the market indices at the announcement of our coming to power just as I am not excessively moved by the fact that since then, and after the presentation of our second budget, the stock exchange has reached unprecedented heights. To recapitulate I will say that the main concern of markets is to ensure that governments do not lose sight of economic fundamentals. If the present government succeeds in providing an effective response to the principle challenges before the country, I have no doubt that the markets would respond suitably.

Ten months after your assumption of office, with the support of Marxist allies, there has been no downturn in the Indian economy. With a larger historical perspective, can we say that this legislature is liable to transform the national perception of the Left parties? If that were true, what would be the long term consequences for Indian politics?

As you would have noted not only has there not been any deceleration of the Indian economy but there has in fact been an acceleration of positive trends. The Indian economy has also performed very well and has registered a 6.9% growth in 2004-05 despite a deficient monsoon, record high oil prices and the Tsunami. This is clear evidence of the fundamental strength and resilience of the Indian economy. I may also mention that India's foreign exchange reserves have risen from US \$ 119 billion in May 2004 to US \$ 140 billion in March 2005. Similarly, FDI inflows increased to US \$ 3094 million in the period April-December 2004, up by 57% from US \$ 1974 million during the same period the previous year. It is evident that our economy is gathering strength and is on an upward trajectory.

To answer the second part of your question on the effect of coalition with the Left on the political configuration in the future, I am tempted to say that this experiment is vital for democratic development not only in India but also in the rest of the world. A democracy must lead to a better quality of life for all, in particular the poor, so that the world 'freedom' has real meaning. We have endeavored with our allies to craft a consensual political platform based on our commitment to an open society as also an open economy. We are for freedom enterprise and the continuation of policies that result in growth higher than what we have known until now. This growth, however,

must be shared in a more equitable and humane manner. It must create new jobs and improve the quality of life of Indian citizens. This is the promise of the Common Minimum Programme that we have developed with the Left parties. The success of this experiment is vital for the future of our people.

Is this reorientation of political priorities in favour of the common man and the poor compatible with the current degree of corruption in Indian politics? Even your opponents, Sir, acknowledge your impeccable track record of integrity. In the position you now occupy as Head of Government, what leverage do you have to combat corruption in Indian politics, if not the criminalisation of political life?

Our government is committed to promoting good governance and fighting the scourges of corruption and criminalisation of political life. However, this cannot be a battle for one individual alone, less can one win it alone. In a democracy such as ours each person should plunge himself into this combat. I have sought a broad political consensus on certain principles in the conduct of political life. If the major political parties reach a consensus on this challenge we will be able to make a significant dent in this problem. But this cannot be achieved if competing and conflicting policies jam the democratic process. The problem of corruption and presence of criminals in politics cannot be resolved through action decided at the top and transmitted downwards. This requires a bottom-up consensual approach.

Your predecessors in Government had already taken some significant steps towards a normalisation of relations with Pakistan. What is your assessment of the talks? How are things going on in Kashmir and can we say that peace is at hand?

Significant developments have taken place in India-Pakistan relations since April 2003. Relations have been restored at the level of High Commissioners; transport and communication links have resumed; one round of Composite Dialogue has been completed; another round has been initiated with the Foreign Secretary level talks in December 2004. Besides, people to people exchanges are taking place across the spectrum in large numbers. There has been a resumption of visits by pilgrim groups. Our High Commission is currently issuing close to 7,000 visas per month.

The ceasefire has held for more than a year. The bilateral process has been given impetus through sustained high level contacts: I met

President Musharraf in New York in September 2004; Pakistani Prime Minister Mr. Shaukat Aziz visited New Delhi on November 23-24, 2004; the Indian Minister for Foreign Affairs visited Pakistan in February 2005 where agreements were reached to start bus services between Srinagar and Muzaffarabad, and between Lahore and Amritsar, including to religious places such as Nankana Sahib. Pakistan also agreed to consider the reopening of a rail line. We have moved ahead in the areas of nuclear CBMs and on issues of drug Trafficking and terrorism.

Progress has been achieved on the humanitarian issue of fishermen and civilian detainees. Pakistan has recently released over 500 fishermen and 30 civilian prisoners. Thus, meaningful progress has been achieved and the Government intends to continue with the present process in an atmosphere free from terrorism and violence.

On the Kashmir issue, even as we explore a mutually acceptable solution, the process, as well as relations between our two countries will certainly gain if, in the interim, we were able to ease the rigours of the LOC as a divide. The new Srinagar-Muzaffarabad bus service is a beginning in this direction. It has been widely welcomed all over, especially in Jammu and Kashmir. There is improved morale and political atmosphere on both sides in Jammu and Kashmir. It needs to be understood that while dealing with complex issues, such as that of Jammu and Kashmir, we need to be practical and realistic in our approach.



008. Interview of External Affairs Minister K. Natwar Singh by Karan Thapar for BBC programme 'Hard Talk-India'.

New Delhi, April 8, 2005.

Shri Karan Thapar : Hello and welcome to a new series of Hard Talk India interviews.

If the United Progressive Alliance Government in India has made strides, then undoubtedly it is in the field of foreign policy. In the last one year, three extensive relationships have been completely transformed – with the United States of America, with China and with Pakistan. Although India still faces serious problems with its neighbours closer at home, there are of course real signs that Indian foreign policy has come to terms with the realities of the 21st century. Here, to talk about the challenges he faces, is India's Foreign Minister K. Natwar Singh.

Foreign Minister, let us start a little differently. You often speak of yourself as a great believer in nonalignment. Today, more than ten years after the cold war ended, just how relevant is nonalignment.

External Affairs Minister (Shri Natwar Singh) : Well, I ask you a counter question. How is NATO relevant? The Warsaw Pact is wound up; the Soviet Union has disappeared; communism has gone from East Europe; the cold war is over; and NATO is expanding. Why is that?

Shri Karan Thapar : NATO fulfills a need the Europeans feel for. What need does non-alignment fulfill for you?

External Affairs Minister : It is not about what it gives... It is not a dogma; it is not a doctrine; it is independent thinking. It creates an atmosphere for reconciliation, for détente, for peaceful coexistence and to judge each issue on its merits. So, Non Aligned Movement needs diplomatic blood transfusion; non-alignment does not.

Shri Karan Thapar : So, Nonalignment is a platform for independent thinking and for each country to project its national interest open-mindedly.

External Affairs Minister :: That is right.

Shri Karan Thapar : All right. In Opposition, you were often publicly skeptical of America. In fact you once wrote that India as a nonaligned country could

not be the natural ally of a major NATO power. Today, after almost one year in office, how has your attitude to America changed?

External Affairs Minister : Let me take off from what Rumsfeld said the other day, that was the old network. This is a new network. Now I am not in Opposition. I am the Foreign Minister of India and it is my principal duty to ensure that India's vital national interests are never compromised. For that, it is essential for us to have the closest relations with the United States, with China, with Russia, with Japan, with France, with UK and so many other countries.

Shri Karan Thapar : So, what you are saying is, 'Do not judge me by the rhetoric of an Opposition politician; judge me by what I do today in office as Foreign Minister.

External Affairs Minister :: Yes, of course. But, I have a fair amount of experience in this business. So, I know what the responsibilities are when you are the Foreign Minister of India.

Shri Karan Thapar : Absolutely. Let me push you a little. There is a view in India which once upon a time you used to share that between India and Pakistan, America always ends up leaning on the side of Pakistan. Is that the case today? Or, has that changed?

External Affairs Minister : Our Composite Dialogue with Pakistan is progressing very satisfactorily. I must say that the atmosphere between the two countries, I have been Ambassador to Pakistan 25 years ago, I have never seen a better atmosphere on both sides of Indo-Pak border.

Shri Karan Thapar : What about the Indian view that you shared once upon a time that America always leans on the side of Pakistan? Is that perception now outdated?

External Affairs Minister : I am not going to comment on what America does with Pakistan. I am concerned on how do we deal with our relationship with Pakistan, how do we take this Composite Dialogue forward.

Shri Karan Thapar : I will come to the Composite Dialogue in a fairly big way later on. Let me first put this to you. Do you today believe that America is putting as much effort into curbing and restraining cross-border activity

against India from Pakistan as earlier America put into changing Pakistan's foreign policy towards the Taliban in Afghanistan?

External Affairs Minister : Well, I think they are trying. But we have always said that this Indo-Pak thing has to be bilateral. If our friends want to be helpful in any way, they are welcome to do so. Our stand has been that the commitment made by President Musharraf on the 6th of January 2004 that he will not allow the territory of Pakistan to be used for terrorism; he has to fully deliver on it.

Shri Karan Thapar : And in that process, what you are looking for from America is even-handedness.

External Affairs Minister : No, we are saying that you take the question in the objective reality. Here is a democracy of one billion people, which is a functioning democracy, which is trying to have good relations with Pakistan, with the United States, with China and all our neighbours. In this process, now for example, take the F-16s. This happened with the three billion that Pakistan has given in 2003 when the NDA was in office. I do not want to go into a blame game. If that had not happened, F-16s would not have happened. We have told the Americans that we are very disappointed in their giving this. But our relationship has reached a level of maturity where we can live with our differences without our fundamental, friendly, good relations being affected adversely.

Shri Karan Thapar : Let me pick up from that. You mentioned the F-16s. When the news first broke that Americans would try to sell F-16s to Pakistan, the Indian Prime Minister himself expressed his great disappointment. Since then, it has become clear that much the same, if not more, is on offer to India: not just F-16s but also F-18s. And there is also talk of nuclear cooperation and strategic cooperation. So, now, in your considered view, is this a setback or is it in fact taking the relationship to a different dimension altogether?

External Affairs Minister : Yes, it is. Our relations with the United States is going on a different dimension. The relations have never been better. Right across, we are having exchanges with them in every area including peaceful research in nuclear energy.

Shri Karan Thapar : And this is why you can take in your stride the giving

of F-16s to Pakistan. You may be disappointed, but you can take it in your stride.

External Affairs Minister : That is what I said. We have reached a level of maturity where we can take them. I have personally conveyed my disappointment to Condoleezza Rice on the telephone when I spoke to her. She spoke to me when I was in Myanmar. So, did the Prime Minister. I am going to Washington early next week to have talks with the Secretary of State and other officials of the Bush Administration. All these aspects will be discussed. No aspect will be left out.

Shri Karan Thapar : Now, one of the things that was said and reported widely in Indian newspapers quoting senior State Department officials is that America has also made an offer to help make India a world player, a world power, in the 21st century, including in the military sense. How do you respond to it?

External Affairs Minister : I would have to phrase it in a different way. We are not in the game of becoming a world power. Our job is to eradicate poverty.

Shri Karan Thapar : But what I am talking about is, how do you respond to the American offer to give that help? Is that a sign that the relationship has now moved considerably further than was imagined, envisaged a year ago?

External Affairs Minister : The military aspect is only one aspect of two dozen areas in which we are cooperating and cooperating very well. But our Defence Ministry and our Defence establishment will take a very good look at it as the Defence Minister said the other day and then we will respond to the particular matter of F-16s and F-18s. But there is a possibility that we can have joint production on some areas.

Shri Karan Thapar : You are sticking to the F-16s, but I am talking about the sentiment from Washington that they want to help India become a world power. How do you respond to that sentiment?

External Affairs Minister : No, I have again said so. This particular ... is not well-phrased in my judgement because we are not in the game of becoming a world power. We have first of all to get ride of poverty, illiteracy, disease and hunger.

Shri Karan Thapar : So, you are saying America is misleading India when it extends its hand in this manner.

External Affairs Minister : I am not going to pass a value judgement. They have used their language, they are welcome to do so. We welcome the improvement in our relations and raising our relations to a much higher level and this is starting from ...

Shri Karan Thapar : I am surprised that you are not more happy at this sentiment because Indian newspapers have seen it as a sign that the relationship between Delhi and Washington has now changed dramatically. You have your reservations about the phrasing.

External Affairs Minister : I do not have any reservation at all. I am just saying that this particular phrase that the United States will help India become a world power. We should help ourselves with the aid of our friends, with the good will of our friends.

Shri Karan Thapar : We can do it ourselves, we do not need help to get that.

External Affairs Minister : No, I do not say that. We need help. All countries need help. There is the whole question of globalisation, interdependence.

Shri Karan Thapar Where does Washington stand on India's bid to join the United Nations Security Council as a permanent member? It is known that they have endorsed the Japanese and the Germans. What have they said to you?

External Affairs Minister : I do not think they have endorsed the Germans, as far as I know. We have had discussions with them. They have not fully made up their mind. I intend taking this up when I go to Washington next week. We have had very wide support from the ...

Shri Karan Thapar : When you say they have not fully made up their mind, does that mean they have not closed their mind either?

External Affairs Minister : I hope so that they have not closed their mind. I will certainly ask this particular question as to where do you stand on the reform in the United Nations and India's place as a permanent member within it.

Shri Karan Thapar : And you remain hopeful that you could have their support.

External Affairs Minister : Well, let me say one thing that diplomacy offers hope, not salvation.

Shri Karan Thapar : Earlier, the Indian Government has said that the Security Council permanent membership without the veto would be meaningless. Three months later, are you more amenable to that idea?

External Affairs Minister : No. I think the position has been made quite clear by the Prime Minister that India will not accept any discrimination between the original P-5 veto power and the future P-5 permanent members.

Shri Karan Thapar : So, reports in the papers that you have changed your position about the veto are inaccurate and incorrect.

External Affairs Minister : Yes. It is clearly stated by the Prime Minister that no discrimination between the original P-5 and the new P-5 or P-6.

Shri Karan Thapar : So, India is looking for permanent membership of the Security Council with veto powers.

External Affairs Minister : That is right.

Shri Karan Thapar : And nothing less would be acceptable.

External Affairs Minister : We are looking for permanent membership with veto power.

Shri Karan Thapar : All right. Now, on Thursday, a couple of days before this interview is broadcast, the first bus is going to roll on from Srinagar to Muzaffarabad and vice versa. There is a lot of hope and excitement about it. Do you see this as an achievement of significance or simply as a sign that the atmosphere between the two countries is changing?

External Affairs Minister : I think it is a very significant development. This bus is now going to Muzaffarabad after 57 years. Families have been divided for 57 years.

Shri Karan Thapar : So, this is substantial.

External Affairs Minister : This is very substantial. I want to say that our

friends of Pakistan, without their cooperation this would not have happened. Similarly, the rail link. We are going to open the rail link on the 2nd of October between the Sindh and Rajasthan, closed in 1965. We are going to have a bus to ...

Shri Karan Thapar : But that the people are coming together, families that are divided are getting a chance to meet again, yet itself that the real test of the peace process between India and Pakistan would be how you tackle the tricky question of Kashmir. In September, in New York the two heads of Government agreed to explore options for a solution. When will that actual exploration start?

External Affairs Minister : This is a continuous process. I have openly told our friends in Pakistan there is no quick fix. These are complex problems going back decades. It will take some time. It is not ...

Shri Karan Thapar : Quite right. The end is a long way away. But has the beginning happened? Have you begun talking about options for solutions?

External Affairs Minister : Yes, the Prime Minister said all options are open except redrawing the map of India or a second partition.

Shri Karan Thapar : Quite right. That is a statement India made. But have talks between both sides, formal talks, about these options started?

External Affairs Minister : Yes, we are talking about all issues including Jammu and Kashmir. This is a step. This bus service, when the two people come and meet with each other and see what is happening and get to know each other, this is a very substantial step forward.

Shri Karan Thapar : Let me put it like this. Does India have its own options for solution that it wants to put on the table at this point?

External Affairs Minister : We are open to all suggestions, as Prime Minister said. Let them put, we will discuss with them.

Shri Karan Thapar : But it sounds as if you are saying that when they put the suggestions, we will discuss it; you do not have any of your own that you want to put on the table.

External Affairs Minister : We are quite clear. We are open to all options

that they offer except redrawing the map of India and having a second partition.

Shri Karan Thapar : So, when General Musharraf comes to India, as he is expected, for cricket on the 16th and 17th of this month, and if takes up this subject of Kashmir, will you simply listen to what he has to say or do you have things of your own that you want to say to him?

External Affairs Minister : It will depend on what he has to offer. If you say 'a, b, c, d', we will say, 'All right, Sir, let us have a look at it'. We will sit down.

Shri Karan Thapar : But, do you have 'e, f, g, h' of your own?

External Affairs Minister : We do not have to have it. It is they who are raising this question for the last fifty years.

Shri Karan Thapar : So, the ball is in their court.

External Affairs Minister : Exactly.

Shri Karan Thapar : The ball is in their court.

External Affairs Minister : Absolutely.

Shri Karan Thapar : The Pakistanis, however, tend to feel that India wants to push the relationship in terms of confidence-building measures in areas like cricket, trade and cultural contacts but when it comes to Kashmir, India drags its feet.

External Affairs Minister : At one stage, they did not want to talk about anything except Kashmir. Now, they are no longer unifocal. They say, we will discuss with you other matters. I tell them that, "Listen, our trade with China is 13.6 billion dollars in 2004 while with Pakistan, it is 400 million dollars."

Shri Karan Thapar : But you are diverting the question. The Pakistanis say that the Indians want to talk about anything but Kashmir. When you say to me that "the ball is in their court, we will listen to whatever they have to say but we do not have any options of our own to put on the table", in a sense to the audience that might sound as if the Pakistanis have a point.

External Affairs Minister : No, they do not. I will tell you, they say, for

example, 'the wishes of the Kashmiri people'. What do you mean by that? We have got elections in Kashmir. There is an elected Government. They are electing Members of Parliament and they are electing Members of the Assembly. Now, a similar exercise is not taking place on that side. So, 'wishes of the Kashmiri people' means what?

Shri Karan Thapar : Do you get the feeling that the problem is that you are both willing to talk but you are both talking at each other rather than to. You have different agendas, different motives, different ends that you want to get to and you are not meeting in the middle.

External Affairs Minister : We are meeting all the time. The objective is to ...

Shri Karan Thapar : Physically, but not in conversation.

External Affairs Minister : No, in conversation. The objective is to take Indo-Pak relations to a level where the future of the Indo-Pak relations is not in the past. Look at the 21st century and get on with it.

Shri Karan Thapar : And, are you getting to that level?

External Affairs Minister : Yes, we are hoping. We are trying very hard.

Shri Karan Thapar : Is steady progress happening.

External Affairs Minister : Yes, it is.

Shri Karan Thapar : Let me put something to you. You said a moment ago that the Indian Prime Minister has said that he does not want redrawing of boundaries. In fact, his full phrase was he wants to make boundaries and borders irrelevant. What does that mean?

External Affairs Minister : It means that you produce good will, you produce friendship, you produce amity.

Shri Karan Thapar : Does that also mean soft borders? Does it also mean without damaging sovereignty on either side giving a real say to the other in the affairs of your own?

External Affairs Minister : Given the history of this particular issue, one has to tread very cautiously, with great patience, with great restraint, with great wisdom and with great hope.

Shri Karan Thapar : And that is what you plan to do?

External Affairs Minister : Yes.

Shri Karan Thapar : But you are going to be imaginative and creative to the extent possible.

External Affairs Minister : Yes, we are. That is why the Composite Dialogue is going ahead the way it is.

Shri Karan Thapar : Now, another landmark visit is taking place. In fact, on Saturday is the arrival of the Chinese Prime Minister. He has already said that this is the most important item in his calendar for 2005. Where does it stand in yours?

External Affairs Minister : Exactly the same.

Shri Karan Thapar : This is the single most important thing?

External Affairs Minister : It depends on (a) whether the Prime Minister goes to the United States or not; (b) whether Mr. Bush comes here or not. So, it will be one of the very major items for us. For him to have said that for him it is, I think, is a very very significant statement and we welcome it.

Shri Karan Thapar : You welcome it.

External Affairs Minister : Absolutely.

Shri Karan Thapar : The Indian newspapers are speculating that the two countries are poised to sign an agreement on principles to help you sort out your five-decade-old border dispute

External Affairs Minister : Ye, we have had four meetings of the Special Representatives. The fifth will take place on the 10th or 11th when our NSA's counterpart ...

Shri Karan Thapar : Are you at a point where you can agree on principles on how to sort out the dispute?

External Affairs Minister : Yes, we are going to discuss this particular matter and if an agreement is reached, it would be reached during this visit. That is our objective.

Shri Karan Thapar : So, if an agreement is reached, it could be reached during the Chinese Prime Minister's visit.

External Affairs Minister : It could be. But, what are the parameters, what are the criteria for the demarcation of this and if you reach this stage, it is a very very good development.

Shri Karan Thapar : The papers say that the two principles on which both sides are narrowing is – firstly, concern for each other's security and secondly, non-disturbance of the existing populations. Can you confirm that those are the principles you have identified?

External Affairs Minister : Our relations have now reached a strategic high ground, as the Chinese Prime Minister said the other day, and we are going to look at this as to how to resolve this. Fortunately, since 1988, since Rajiv Gandhi went there, the border has been tranquil, peaceful, no friction. In that spirit both the countries, large countries, both countries doing well, we should be able to address ourselves to this and resolve this amicably.

Shri Karan Thapar : And if you do end the visit with an agreement on principles to sort out the border, that will be a landmark achievement.

External Affairs Minister : No, it is one of them. There are many other issues that are going to come.

Shri Karan Thapar : But this is an important issue.

External Affairs Minister : It is a really important subject.

Shri Karan Thapar : All right. China also happens to be one of the Big Five in the United Nations. Do you have their support for India's membership of the Security Council?

External Affairs Minister : In the interview that the Chinese Prime Minister gave to the PTI, they said that the United Nations needs reform, the Security Council needs reform, developing countries need to be ...

Shri Karan Thapar : Quite right. They said two important things one, that the United Nations need reform and two, that there should a greater role for India in the international sphere. But that does not ...

External Affairs Minister : In the Security Council.

Shri Karan Thapar : I do not think he used the word Security Council.

External Affairs Minister : No, I think I have it written here.

Shri Karan Thapar : No, he did not. That is how you are interpreting it.

External Affairs Minister : No, I do not want to interpret. We have been in touch with them. He said, "India is a major developing country that plays a positive role in regional and international affairs. I fully understand India's position and I am ready to see a greater role of India in the international affairs and the United Nations.

Shri Karan Thapar : But a greater role in the United Nations does not mean a 'yes' to Security Council membership.

External Affairs Minister : What is the reform about?

Shri Karan Thapar : That is your interpretation.

External Affairs Minister : The whole world knows about it. The reform means that of the Security Council to make it more democratic, make it more representative. 1945 is no longer relevant in 2005.

Shri Karan Thapar : Okay. Foreign Minister, you have every right to interpret the Chinese Foreign Minister as you want. I am simply quoting that it is not a clear-cut case as you are saying.

Let us move to the situation with India's neighbouring countries. You have taken a very strong line against King Gyanendra's assumption of direct power in Kathmandu. The Americans, the British and the European Union have supported you. But, have you got the response from Kathmandu you were hoping for?

External Affairs Minister : No, we have not got. But, it is encouraging to see that Mr. Koirala has been released; Mr. Deuba has been released; and I hope Mr. Nepal, the former Foreign Minister, will also be released. Our relations with Nepal are unique. They are extremely close. We do not need visas to go there and they do not need visas to come here.

Shri Karan Thapar : But you said a very important thing a moment ago that you have not got the response you were hoping for.

External Affairs Minister : We have not. But we would like him to unwind.

The emergency should be ended and the political parties ...

Shri Karan Thapar : Far from unwinding, the impression he gives is that he is not really listening to you, he is refusing to meet your Ambassador since the gentleman returned, and he is making trouble, to use a colloquialism, for Indian companies in that country.

External Affairs Minister : Again, it is a very distressing situation. We are a very large country. We have to be excessively sensitive to the feelings of the Nepalese and the Nepal's establishment. What Nepal needs today is both a Constitutional Monarchy and democracy so that we can deal with Maoists.

Shri Karan Thapar : In the way you handled this situation, let me put it to you, a point your critics often make, have you overplayed your hand? Have you boxed both yourself and the King into a corner and made each other defensive rather than responsive?

External Affairs Minister : On the contrary, this is not the first time this situation has arisen in the last fifty years. We have lived with it again and again. When it happened in 1988 I had to go and meet his brother.

Shri Karan Thapar : So, it is a game of bluff that you are playing, and you are waiting to see who blinks first.

External Affairs Minister : No, it is not a game of bluff. It is a game of diplomatic patience and to use maximum restraint. We have all the leverage. We are not going to use any leverage. We are hoping His Majesty will be able to see what the reality is.

Shri Karan Thapar : And if he does not, then what?

External Affairs Minister : We will wait and watch.

Shri Karan Thapar : How long will you wait and watch?

External Affairs Minister : We have a great capacity for waiting.

Shri Karan Thapar : Do you mean, infinite patience?

External Affairs Minister : Yes, we have, as far as Nepal is concerned.

Shri Karan Thapar : But if you are going to be infinitely patient, then why

did you bother to act adversely in the first place? Why were not you more understanding of his problems?

External Affairs Minister : How do you know we were not? We have conveyed everything to His Majesty. The fact that he has not met our Ambassador, it is unfortunate. But that does not mean that we are going to turn our face. We are deeply interested in the welfare of the Nepalese people. We are deeply interested in containing the Maoist insurgency and for that His Majesty needs the functioning of Parliament, having elections, and unwinding emergency.

Shri Karan Thapar : Let me sum up this interview where we have covered a gamut of subjects, by putting this to you.

Just under a year ago when you first became Foreign Minister, you were accused of being out of touch with reality, of speaking out of turn, of putting your foot in your mouth. Are you more comfortable in the job today?

External Affairs Minister : I do not agree with what those people said. People who know me would never have said so. I have a fair amount of experience in this.

Shri Karan Thapar : But do you think you are the one left smiling rather than your critics?

External Affairs Minister : Believe me, if I were to bother about my critics, then I could not function. My principal objective is to safeguard the vital national interests of India every time and every day.

Shri Karan Thapar : There, Foreign Minister, we have to end it. Thank you very much for speaking to Hard Talk India.



009. Interview of External Affairs Minister K. Natwar Singh to the weekly *Outlook*.

New Delhi, April 19, 2005¹.

The external affairs minister K. Natwar Singh lays out India's line on Kashmir, hours before Pakistan President Pervez Musharraf was to arrive in India to watch an ODI cricket match between India and Pakistan. Excerpts from a hard-hitting interview to V. Sudarshan:

India has made additional suggestions to back up the Srinagar – Muzaffarabad² bus link, like designated meeting points for separated families along the border. Why is Pakistan not excited about them?

We look at the Line of Control not just as a divide but as a bridge. We need to work towards a situation where borders, even in our part of the world, begin to matter less and less. In addition to the Srinagar - Muzaffarabad bus, we have made additional proposals for cooperation in the context of Jammu and Kashmir (J&K). We have offered a mechanism for allowing interaction at some select points between people on both sides of LoC, such as Poonch, Mendhar, Suchetgarh, Uri and Tangdhar in the Kishenganga valley. This would be another step towards easing the rigours of the divided families on both sides of the LoC. We would also like to begin pilgrimages across the LoC to Hindu, Muslim and Sikh shrines. We have also proposed trade and cultural interaction across the LoC, promotion of tourism in the area, and cooperation in management of environment and forestry resources.

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1. The interview appeared in the issue of Outlook dated April 25, 2005.
 2. The Srinagar – Muzaffarabad bus service was formally inaugurated by Prime Minister Manmohan Singh on April 7 from Srinagar in the presence of Chairperson of the United Progressive Alliance Mrs. Sonia Gandhi, Chief Minister of J & K Mufti Mohammed Sayeed and other dignitaries. The prime minister referred to the inaugural bus service in his speech at the Chief Ministers' Conference on April 15 and said: "Notwithstanding the recent dastardly attempt to disrupt the bus service between Srinagar and Muzaffarabad by terrorist elements, the people of Jammu and Kashmir came out on the streets as one to welcome this gesture of reconciliation. I hope the terrorists and extremists in the region have grasped the mood of the people and will not try to disrupt this bus service again."
It may be recalled that the Prime Minister while speaking at a defence Investiture ceremony on April 12 had said that he was prepared to discuss fresh confidence building measures (CBMs) with the Pakistan President Gen. Musharraf during his forthcoming visit to New

To what extent was Gen Pervez Musharraf personally involved in clearing the Srinagar - Muzaffarabad bus service?

He conveyed his approval to the proposed travel arrangements to me personally when I met him in Islamabad on February 16, 2005.

Yet, Musharraf keeps running down the importance of CBMs. He recently told a TV channel—and those remarks are on his personal website—that “CBMs are going ahead but we have to check the CBMs.” Can he choke off the oxygen to the CBM process?

CBMs are integral to any meaningful resolution of bilateral issues, including J&K. We need to be practical and realistic in our approach and not let our formal positions thwart cooperation opportunities. We believe that an incremental, step-by-step approach would be useful in taking the process forward, and relations between our two countries will certainly gain if we continue to implement proposals that help in building trust and confidence and in enhancing cooperation.

Musharraf's grouse is that the composite dialogue process isn't moving forward on the Kashmir issue. Is he trying to hustle us?

Delhi. “Though it is not a state visit but an informal one, we are prepared to discuss any thing our honoured guest wants to raise including Kashmir, further CBMs and common security. We expect a purposeful dialogue,” said the Prime Minister. On Gen. Musharraf's observation made on April 2 at Quetta that he would raise the Kashmir issue during his visit to New Delhi, Dr. Singh said, “we are open to discuss all issues including Kashmir as this is part of composite dialogue process.” Earlier on April 2 speaking to reporters on return from Mauritius the Prime Minister had said that India favoured a “free flow” of ideas and people with Pakistan. Asked about Pakistan's refusal to permit Kashmiri political leaders to travel by the inaugural Srinagar – Muzaffarabad bus service on April 7, the Prime Minister said “our approach is that there should be a freer flow of people and ideas to resolve all issues between the two countries. Our efforts will be to persuade Pakistan to encourage people-to-people contacts in the widest possible sense of the term.” To a question on what would be discussed with the Pakistani President when he visited New Delhi to watch the cricket match between the teams of the two countries on April 17, the Prime Minister said: “I have said on more than one occasion that we are willing to discuss all issues which have vital bearing on our relations with Paskitan.” Even when the Prime Minister was in Mauritius, the media men had been raising questions on the agenda for talks between the two leaders during the summit. When a journalist had asked Manmohan Singh whether he would discuss Kashmir with Musharraf during the latter's New Delhi visit, he had said, “When politicians meet they cannot confine their discussions to the state of the weather.” He had added that the meeting would help the two leaders to understand each other's point of view better and would carry forward the dialogue they had started on the sidelines of the United Nations General Assembly when they met in New York last year. Again at a press conference on April 1 at Port Louis the Prime Minister reiterated “whatever Pakistan wants to discuss, we will.”

We have moved forward in a remarkable manner since April 2003. Relations have been restored at the level of high commissioners; transport and communication links have resumed; people-to-people exchanges are taking place across the spectrum in large numbers; there has been a resumption of visits by pilgrim groups; our high commission in Islamabad is currently issuing over 10,000 visas per month; the ceasefire has held for over a year.

We have successfully completed one round of the composite dialogue and commenced the second round. I have often said that we expect neither a spectacular breakthrough nor a dramatic breakdown in the dialogue process.

We are ready to remain engaged for as long as it takes. It would not be prudent to impose a time-frame or deadline for a resolution of the J&K issue, an issue that has defied solution for so long, and which, by all accounts, is complicated.

How wary are we of Agra-type fiascos when we think of ‘summit’ meetings between Prime Minister Manmohan Singh and President Musharraf?

We seek peace and friendship with Pakistan. We must not be deterred by roadblocks along the way. There must be no going back on the present process. High-level meetings are an important element in providing impetus to the process, but must be well prepared. This government will not repeat the mistakes of the N.D.A. government, which were evident at Agra.

After all this talk of “options available”, as Musharraf puts it, on Kashmir, has he either informally or formally let India know what these are, especially considering that our stance is that whatever options there could be should be consistent with the situation on the ground, that there can be no redrawing of maps?

The Pakistan government has not given us any formal or informal options on J&K. The prime minister has reiterated on several occasions that we are ready to look at all options, short of redrawing the boundaries and another partition of the country. In fact, it was Pakistan which did not

pursue discussion of this issue from 1972 till 1989. Pakistani leaders themselves, from time to time, argued for easier issues to be resolved first, and the more intractable ones later. Others have suggested that, through a process of confidence-building, the two countries should first establish trust, which would enable them to address complex issues more productively. That is the reason why we believe that CBMs are imperative and need to be taken forward with greater vigour.

In Kashmir, political processes have been revived through free and fair elections at which the turnout of voters was above the national average despite threats of terrorist violence. We are engaged in a dialogue with the elected representatives of the state. The prime minister has also made it clear that we are even ready to talk to those not elected but have given up the path of violence. There is progress in this dialogue, despite some elements' unwillingness to come to the table.

With Pakistan, the discussion on the J&K issue must be focused first and foremost on the need to end cross-border terrorism and dismantle the infrastructure of terrorism across the LoC. There is the issue related to Pakistan's illegal occupation of a portion of J&K, which comprises Gilgit, Baltistan and other Pakistan-occupied areas. There is also the issue of a part of the state which has been illegally ceded by Pakistan to China in 1963. In any dialogue on Jammu and Kashmir with Pakistan, these issues are also on the agenda.

The US not only seems to be arming our proliferating neighbour with F-16s but helping pay for them as well. What impact could this have on the bilateral peace process? Is this a useful contribution the US is making towards peace in the subcontinent?

The US decided on a five-year security and economic assistance programme to Pakistan in June 2003 with \$1.5 billion earmarked for military supplies. This was when the previous government was in power. The supply of F-16 aircraft flows from this decision to resume military aid. We have no objection if the US helps Pakistan in economic and social sectors. In fact, we welcome those initiatives that strengthen Pakistani civic society and move it away from fundamentalist trends.

However, military assistance, particularly when unrelated to counter-

terrorism efforts, conveys a political signal both within Pakistan and vis-à-vis India-Pakistan relations. It strengthens those who are rooted in the past and are out of step with the expectations of people in both countries for better ties. It consequently has repercussions for our dialogue that is currently at a sensitive stage. We have conveyed our concern to the US, most recently when Secretary of State Condoleezza Rice visited India and before that, when Defence Secretary Donald Rumsfeld was here. The prime minister himself voiced our disappointment to President Bush when they spoke on March 25, 2005.

Why do we need to say that the dialogue with Pakistan will continue even if there is terrorism in the Valley? Why should India take Pakistan off the hook so easily on such a sensitive issue?

There is no question of taking Pakistan off the hook on the issue of cross-border infiltration and terrorism in the Valley. Unlike the flip-flop in the policies of the earlier government, when they held sudden summit-level meetings without adequate preparations, we have consistently reiterated our serious concerns on terrorism at every forum of interaction. During my meetings with Pakistani leaders and during the PM's meetings with President Musharraf and prime minister Shaukat Aziz, we have conveyed to Pakistan clearly and unequivocally the need for full implementation of President Musharraf's categorical commitment made in the joint press statement of January 6, 2004, that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. In fact, the entire dialogue process hinges on Pakistan honouring its commitment in letter and spirit.

Pakistan has requested for the appointment of a neutral expert by World Bank on the Baglihar project. What is the status? Has Pakistan asked for stoppage of work on the project?

Pakistan has approached the World Bank for the appointment of a neutral expert to resolve the Baglihar issue. We remain committed, in principle, to an amicable settlement to the issue bilaterally, in a result-oriented and time-bound manner. We are convinced that the design of the project does not violate the provisions of the Indus Water Treaty. Pakistan's fears that Baglihar will give India the capability to either flood their country or to withhold water are completely misplaced. Our own Salal project is located

downstream from Baglihar and would be the first to be affected if India took any such action.

We continue to believe that continued discussions would help resolve the issue. Any involvement of the World Bank is premature. Pakistan has asked India to stop work on the Baglihar hydel project. We cannot agree because the project is important for the economic well-being of the people of J&K. In any event, the Indus Water Treaty does not envisage suspension of work while the two sides discuss their differences.



010. Statement by External Affairs Minister K. Natwar Singh at the draw for the selection of the *yatris* for Kailash Mansarovar *Yatra*.

New Delhi, May 6, 2005.

I am happy to be present here for the computerized draw for the selection of the *yatris* (pilgrims) for the Kailash Mansarovar *Yatra* (pilgrimage), which begins this year on May 29. We in the Ministry of External Affairs attach great importance to the *Yatra* in view of the deep religious sentiments of the people of India associated with Kailash and Mansarovar. The Kailash Mansarovar *Yatra*, which resumed in 1981 along the traditional route across the Lipulekh Pass in Uttarakhand, is conducted under a bilateral arrangement with China by the Ministry of External Affairs. In our efforts, we receive invaluable assistance from various State and Central Government agencies.

A number of facilities are provided by the Government to the *Yatris*, including a cash subsidy of Rupees Three thousand two hundred and fifty for each *yatri*, free medical assistance, security and escort cover by the Indo-Tibetan Border Police till the Lipulekh Pass on the Indian side, communication links with China, and provision of satellite phone to each batch of *yatris* for use during emergency throughout the *Yatra*. A Liaison Officer is attached by the Government with each batch of *yatris*, who is responsible for their general welfare. It is Government's endeavour to

improve and upgrade facilities for the Kailash Mansarovar *Yatra* on a continuing basis and increase the number of *yatris* every year. We are happy that with sustained efforts, the number of *yatris* has progressively increased over the years. We have raised with the Chinese Government issues regarding the improvement of facilities on their side for the *Yatra*. There has been gradual improvement over the years. We have also proposed to the Chinese side opening an alternative route to Kailash Mansarovar to make the *Yatra* more convenient. During the visit of the Chinese Premier to India last month, Prime Minister Dr. Manmohan Singh himself raised the matter of opening an alternative route for the *Yatra* through Ladakh, which would be shorter and more convenient. Since the conditions for the *Yatra* are arduous and there are always more people desirous of undertaking the *Yatra* than the slots available, our endeavor is to maximize the utilization of available resources and conduct the *Yatra* in a transparent manner.

I hope that the Kailash Mansarovar *Yatra* this year, as in the past will be conducted smoothly. I wish to thank all those agencies, which help the Ministry of External Affairs in making that possible, and Shri E. Ahamed. Lastly, I wish all the pilgrims a very happy and pleasant *Yatra*!



011. Interview of External Affairs Minister K. Natwar Singh with the Chennai based daily *The Hindu*.

New Delhi, May 7, 2005.

(Carried by The Hindu in its issue of May 8, 2005. The interview was conducted by Siddharth Varadarajan and Amit Baruah).

King Gyanendra came out of his meeting with Prime Minister Manmohan Singh in Jakarta last month saying arms supplies to Nepal would continue. India has not contradicted him. Are we going to resume sending weapons?

Shri Natwar Singh: The supply of arms to Nepal is under constant review. In Jakarta, the Prime Minister spelt out our concerns about the post-February 1, 2005 events, that they were a setback to the democratic process which, he felt, should be resumed before anything could be done. And we had hoped the King would take some action. But then Mr. Sher Bahadur Deuba was arrested. The emergency has been lifted but it is still partial in many ways. Given the nature of our very close relations with Nepal, we have to be extremely cautious and very patient. It's our hope and endeavour to see that normalcy returns.

And military supplies...

The question remains under review.

But has a first shipment of arms now been sent to Nepal, the tranche that was held back in February?

The details I don't know. That only the Defence Minister will know.

On the issue of relations with the United States, your party opposed sending Indian troops to Iraq. On other issues too, you were critical. Now that you are in government, in what way are the UPA's policies towards the U.S. different from those of the NDA?

Relations with the U.S. have improved considerably in the past 12 months ?they have never been better. With regard to Iraq, our policy is governed by the unanimous resolution of Parliament in 2003. We have donated \$10 million to the international trust fund for Iraq, and offered to assist them in civil service training, the framing of a constitution.

In the Opposition, the Congress had criticised the BJP for committing Indian support to the American missile defence programme. You asked whether the cost-benefit to India had been taken into account. However, the UPA is continuing with the NDA's policy on this. What is the benefit to India that you see now?

I don't think we have taken any decision on it.

But missile defence remains a component of the NSSP process.

Under the NSSP, currently we are only in the phase of being given briefings on the missile defence programme. No decision has been taken that we are going in for, say, the purchase of an anti-missile defence system. The interest part is, of course, quite obvious, because it is a technology which can have important uses for us, it is certainly in our interest to keep abreast of all these technologies. The U.S. is currently giving you briefings on this, including confidential briefings on the system. It is to our advantage.

Many countries say missile defence will fuel a new arms race, that it only encourages the other side to produce more missiles.

We've not taken a position on this.

When President Musharraf was here, he said converting the Line of Control into the border is unacceptable to Pakistan, redrawing the LoC is unacceptable to India and that both countries favour soft borders. Do you think this provides a framework within which the issue of Kashmir can be discussed?

The composite dialogue is going extremely well. For example, in his Jakarta speech, General Musharraf said relations were improving so well they could be an example to the rest of the world. I must say that without his personal involvement, it would not have been possible to have the bus service started. During his visit here, the two leaders got on very well. They also know there are certain things which can't be done overnight. We have also said we are hoping the commitment made on January 6, 2004, will be honoured by the Pakistani side... There is some terrorist activity going on, but the overall Indo-Pak. scene looks more promising than it has done for many decades.

Why is that? Have we changed, or have the Pakistanis changed?

I think the global scenario has changed. And I also think the change in the atmosphere in both countries at the peoples' level also helped a great deal. We know the difficulties, they know the difficulties. But if contacts increase ?President Musharraf himself said, "Why only a bus across the LoC, why not trucks with goods?" We have also asked them why our goods can't go through Pakistan instead of through Dubai, which is a loss to both countries.

Some people in the U.S. and India say China is a 'strategic threat' to both countries and that Washington and Delhi need to coordinate their policies. How do you see this evolving triangular relationship in the next 20 years?

I think our relationship with the U.S. in no way affects our relationship with the Chinese. We have very good relations with the U.S., very good relations with China. These relations are getting better, if you just take the trade figures. We don't subscribe to this theory that any country is using India as a counterbalance for another country... India would not like to be used by any power. We have to look after our own national interests.

The 'guiding principles' on the border settlement with China give rise to the possibility of territorial adjustments in the future. Do you think a change in the map of India is something that would be acceptable to public opinion?

We are looking at a boundary settlement from the overall perspective of bilateral relations. The first stage of the work of the Special Representatives was completed with the signing of the agreement on the guiding principles. In the second stage, the SRs have been asked to hold discussions to reach a consensus on the agreed framework of the boundary settlement. It would be premature now to talk of the outcome of the discussion of the SRs. Whatever the outcome, it will be within the limits defined by the political parameters, the guiding principles laid down by both sides.

How does the Government look at the prospects of resuming the peace process in Sri Lanka?

We are looking at a solution that takes into account the concerns of all the people of Sri Lanka. Our view with regard to Eelam is well known; it has not changed. We are for the sovereignty, territorial integrity of Sri Lanka.

We are concerned about the LTTE having built an airstrip and having two aeroplanes and there's news about more coming.

Will India resist U.S. pressure on the Iran-Pakistan-India gas tie-up and go ahead with the pipeline?

I said so at my press conference with Secretary of State Condoleezza Rice when she made the views of the U.S. known. I said we have very good relations with Iran, we have no problems with Iran. The pipeline is mentioned in the statement issued in September [2004] in New York by the Prime Minister and President Musharraf. Our Petroleum Minister is going to Pakistan very soon. The earlier impression was that India was the stumbling block. We are not. Our energy needs are going to increase exponentially in the next 20 years and there's no other way but to have this kind of an arrangement.

On the reform of the U.N. Security Council, is India proposing an "Option C" as opposed to "Option A" and "Option B" [both without the veto] proposed by the High-Level Panel or is India willing to go along with Option A?

We have, along with Brazil, Japan and Germany, made our position well known. We are hoping to table a resolution and are hoping to have a very large co-sponsorship for the resolution before the General Assembly meets in September. A lot of people think this is a matter for the Security Council to decide. No, this is a matter for the General Assembly to decide with a two-thirds majority. There are 54 nations from Africa, they are very important players in the expansion process. Our position has, so far, been that India should be in the Security Council with a veto. A third view is that the veto should be abolished, which is unlikely. There is another point of view that there could be an informal arrangement that no one country can veto, there should be two or three. Given the world scenario today, with the U.N. having 192 members, it will be very difficult for any of the P-5 to exercise their veto against the popular mood for change. We are also realistic enough to know that the present five will not like the veto to be extended to other members.

[The] Prime Minister has said that we are against any discrimination between the old and the new. The African view is the same. What we have to remember is that these five permanent members have to go back to their

respective parliaments ... If the U.S. Senate doesn't ratify, there's a new situation. Now, from what Secretary-General Kofi Annan told us, his expectation is that howsoever strong the reservations of one permanent member against a new one ... in today's climate it would be difficult to exercise the veto. At the most, that power would abstain.

Why doesn't India stick to its earlier stand that the veto, per se, is undemocratic and should be done away with?

It's not excluded. The discussions are going on at various levels, at various forums and they will be further intensified in the next few weeks. You can't even rule out, and I am taking the extreme position ?the contradictions are so great, the differences so obvious, that nothing may happen. And, that'll be a great tragedy.



012. Speech of Prime Minister Dr. Manmohan Singh in reply to the debate on his statement made in the Lok Sabha on April 20, 2005.

New Delhi, May 12, 2005.

The Prime Minister (Dr. Manmohan Singh): Sir, I wish to thank all the distinguished Members who have commented on the *suo motu* Statement I had made on 20th April 2005 on our relations with China¹ and Pakistan². There have been fresh developments since then in our external relations, which I will attempt to share with the House.

However, at the outset, let me express my deep satisfaction over the continuing and strong consensus that characterises the conduct of our Foreign Policy. This was reflected in the several observations made by the hon. Members cutting across the political spectrum.

Sir, there is unanimity in this House regarding the importance of our relations with China. As I said in my Statement, our Government attaches great importance to the development of our relations with China. There is

1. Document No. 182
2. Document No. 292.

great scope for expansion of our economic interaction with this great neighbour of ours. With regard to the resolution of the boundary question, I acknowledge the complexity of this issue. But in this context, the agreement we have reached with China, setting out the political parameters and guiding principles for the resolution of the boundary question, assumes considerable significance.

Overall, Sir, in the recent past, there has been steady forward movement in our bilateral relations which are now characterised by expanding areas of cooperation and growing mutual understanding. I do not look at our relations with China as those between rivals, but as between partners engaged in promoting peace, security and development in Asia and in the World as a whole.

Sir, Prof. Ram Gopal Yadav is not here. He made certain statements. I do recognise that we are dealing with issues, which have great contemporary significance. There are risks, but I think, these risks will not deter us from moving forward, though we shall do so mindful of all the elements that go to influence this complex situation which we have to deal with.

With regard to Pakistan, I am very glad that all Members have stressed the importance of the normalisation of our relations with Pakistan. We sincerely desire to find mutually acceptable solutions in all outstanding issues. The hon. Members have rightly emphasised the need for a complete cessation of cross border terrorism, including the dismantling of terrorist training camps and launch pads across the LOC.

I myself pointed out to President Musharraf that I will not be able to take Indian public opinion with me in carrying forward the current composite dialogue process and our quest for abiding peace, if there continue to be repeated terrorist acts against innocent men, women and children.

We welcome the pledge made by President Musharraf not to allow terrorism to impede our bilateral peace process. Sir, both of us are committed to making the peace process truly irreversible, facilitating the resolution of all outstanding issues between our two countries. Of course, much will depend on the actual situation on the ground, with regard to cross-border infiltration, particularly after the snow-bound passes in Kashmir open up in summer. We have to remain alert because terrorist and extremist forces are still active. There will be no relaxation of vigil on this score.

Sir, thanks to the comprehensive security measures put in place, there have been no further incidents involving the Srinagar-Muzaffarabad bus service and the positive impact of the service on opinion on both sides of the Line Of Control (LOC) is there for everyone to see. We are already engaged in technical talks with the Government of Pakistan on the opening of a new bus service between Amritsar and Nankana Sahib. We hope to operationalise these services in the near future. I take note of the desire of hon. Member Shri Madhusudan Mistry about opening up the new routes linking Gujarat with Sind. This we shall also take up.

There has been some comment on the process initiated by the World Bank to appoint a neutral expert to examine differences between India and Pakistan on the Baglihar issue. There is no question of stopping work on this Project. Hon. Members should appreciate that under the terms of the Indus Water Treaty of 1960, the World Bank is obliged to appoint a neutral expert even if only one of the parties makes a representation. We had felt that a reference to the World Bank was premature because further technical discussions between our experts could have led to a narrowing of differences. I had myself conveyed to President Musharraf that if Pakistan could come up with convincing and technically verifiable objections to any aspect of this project, we would be willing to consider appropriate design modifications. We are now preparing to provide all the information and technical details that may be required by the neutral expert to make a comprehensive evaluation. I wish to state categorically that India has never violated the Indus Water Treaty, which has stood the test of time for the last 45 years. We intend to adhere to the Treaty in letter and in spirit.

Sir, several Members have expressed anguish over the continuing detention of Indian fishermen and the other Indian citizens in Pakistan. Thanks to the effort of our Government and our Foreign Minister Shri Natwar Singh, a large number of these prisoners have been released and no effort is being spared to obtain the release of those remaining in Jails in Pakistan. We are also in touch with the Government of Pakistan on the release of fishing boats impounded by Pakistani authorities so that our fishermen can resume the earning of their livelihood.

With Bangladesh, we share traditional ties of friendship, reinforced by cultural and historic links. It remains our sincere desire to work with the Government and people of Bangladesh to tackle the basic common

challenge of poverty, ignorance and disease. I take very seriously the point raised by Shri Hannan Mollah. We will make – and we have been making – sincere effort in this regard. We do have concerns regarding the territory of Bangladesh being used by Indian insurgent groups. However, I sincerely hope that our two countries can work together jointly to resolve these issues and promote jointly peace, security and development. Development is the biggest challenge that both of us face, and we must do so together to win the race against time.

Sir, we have every reason to take pride in our excellent relations with the King and the people of Bhutan. The King of Bhutan is a wise monarch and under his guidance Bhutan has made rapid social and economic progress. We take pride in the accelerated development of Bhutan and we are very happy to be partners in their progress.

Sir, an hon. Member had made a reference to the situation in Nepal. We have a vital stake in the security and development of Nepal, with which we have centuries old ties of culture and civilisation. Our only concern is that Nepal should approach the new era of modernization with a strong commitment to the twin pillars of Nepal's nationhood, namely constitutional monarchy and multi-party democracy. As Nepal's neighbour, and in view of our special relations, we do have concerns regarding the situation in that country.

It is our sincere desire to find pathways to a future of co-operative interaction to promote peace, security and the well-being of the people of Nepal.

We have been steadfast in our traditional strong commitment to the unity and integrity of Sri Lanka. We do hope that through meaningful negotiations all sections of Sri Lankan society, including the Tamil minority, will be able to evolve durable co-operative structures which enable them to lead a life of dignity and self-respect.

Mr. Deputy-Speaker, Sir, South Asia must work together to emerge as a major powerhouse of economic creativity and enterprise. For that, it is very essential for all our countries to work together to maintain cordial relations with each other. It is with this perspective that we have extended our hand of friendship and co-operation to all our neighbours.

April has been an extraordinarily intense period for our external relations. Following my last *suo motu* statement, we have played host to Prime Minister Koizumi of Japan and the UN Secretary-General Kofi Annan. Another landmark event was the celebrations of the 50th Anniversary of the Afro-Asian Conference in Jakarta and Bandung in Indonesia from April 22 to April 24, 2005. I have also just returned from Moscow, where I participated in the commemoration of the 60th anniversary of the victory over Fascism and Nazis. I used this opportunity to review with President Putin the state of our multifaceted bilateral relations. Both of us agreed to work together to expand areas of co-operation consistent with our strategic partnership.

Sir, our relations with the United States of America have never been better. The two countries are poised for a major and significant upgradation of these relations in the days to come. I had the opportunity to exchange views with President George Bush both when we met in New York last September and when we saw each other in Moscow earlier last week. During the External Affairs Minister's visit to Washington, an India-US Energy Panel was announced which will enable the two countries to embark on a long-term plan for energy co-operation, including the possibility of civilian nuclear energy co-operation.

Both in the US as well as in other countries, there is a growing recognition of the fact that global energy sources are under increasing strain and that high oil prices are probably here to stay. For countries like India, to sustain the reasonably high rate of economic growth that is required to eradicate poverty, energy cannot be allowed to become a constraint. For us, nuclear energy is an important means to address this challenge. As such, we intend to maintain and expand our indigenous nuclear power programme. This would also ease the strain on conventional energy supplies globally. Since India's record on non-proliferation is impeccable and acknowledged to be so internationally, the current restrictions on co-operation in nuclear power production with India have become anachronistic and counter-productive. During my meeting with President Putin in Moscow, I expressed satisfaction at India-Russia co-operation in this field, as well as in other areas of bilateral concern and hoped that areas of co-operation between India and Russia would grow in the years to come. I would be visiting Washington at the invitation of President Bush in July this year, when I intend to continue our dialogue on energy co-operation, which we also touched upon during our brief meeting in Moscow.

The visit of Prime Minister Koizumi to India in April 28 and 29 marked the beginning of a sustained and productive engagement between our two countries. Despite the close political relations and shared values of democracy and culture,

India-Japan economic relations have remained far below their potential. It is this aspect of our relations that received the greatest attention during the visit and I am happy to say that we took a number of decisions to upgrade our relations. Japan has agreed to consider assisting us in establishing a high-speed rail freight corridor between Mumbai and Delhi and Delhi and Kolkata. Japan would also extend facilities for Japanese language training in Indian educational institutions to help our IT industry serve the large and growing software market in Japan.

Hon. Members would recall the historic contribution made by the Afro-Asian Conference of 1955 in hastening the end of colonialism, forging a sense of solidarity among the newly emerging nation states of Asia and Africa and in paving the way for establishment of the Non-Aligned Movement. The key role played by Prime Minister Jawaharlal Nehru in that Meeting fifty years ago was acknowledged in my meetings with several leaders during this Conference. India was given the signal honour to speak on behalf of the Asian countries and our voice was heard with respect by the extraordinary gathering of leaders from all over the world. Sir, it would not be an exaggeration to say that the Conference has rekindled the sense of solidarity and close affinity among the developing nations with a keen determination to translate these sentiments into a practical programme of co-operation, leveraging each other's strengths and using our considerable collective bargaining power to usher in a more equitable international political and economic order. Sir, I urged the leaders present to devise instrumentalities to deal with imbalances built into the functioning of the international political and economic order, to expand the constituency supporting the process of globalisation. I drew attention to the fact that we have our own distinct perspective on measures to combat international terrorism, which has emerged as a major global problem. This perspective is based on the need to initiate and sustain a meaningful "dialogue among civilisations" instead of subscribing to the theory of the so-called "clash of civilisations".

My meetings with Asian leaders in Bandung also gave me yet another opportunity to reiterate India's commitment to the 'Look East Policy' and to

closer relations with the countries of South-East and East Asia. We are committed to work with ASEAN and with East Asian Countries to make the 21st century a truly Asian Century.

Sir, I am happy to report to the House that the countries of this region reciprocated this sentiment when they decided to invite India to the East Asian Summit to be held later this year. We are also making determined efforts to intensify our cooperation with the developing countries of West Asia, Central Asia, Africa and Latin America.

We have also moved forward in rejuvenating our relations with the European Union through our new "strategic partnership". The forthcoming visit in September of Prime Minister Tony Blair as President of the European Union will provide us another opportunity to give concrete meaning and content to our strategic partnership with both the EU and the United Kingdom.

I also look forward to the opportunity to participate in an outreach meeting of the G-8 at Gleneagles in Scotland this July. This will help strengthen our interaction with our global partners. India's participation in this meeting is an important recognition of our place in the global community and the world economy as a whole.

This brings me to India's efforts, in close collaboration with other friendly countries, to bring about a comprehensive reform of the United Nations. The visit to India by UN Secretary General Kofi Anan, on April 25 and 26, 2005, provided us an opportunity to review current developments at the United Nations and to reassess our strategy. The Group of 4, comprising of India, Brazil, Germany and Japan, continue to work very closely together in pursuit of our shared objective of mobilizing a more than two-thirds majority of the UN General Assembly, in favour of a significant restructuring of the United Nations, including the Security Council. We believe that India, with its large population, dynamic economy, long history of contribution to international peace-keeping and other regional and international causes, deserves to be a permanent member of the UN Security Council. We also believe that reform of the UN should make it more democratic and more capable of effective multilateral decision-making and action.

Of course, we are conscious of the fact that the situation is extremely complex and there is resistance to change among several powerful countries.

However, this is the first time in many years that a certain momentum has been built up for thoroughgoing reform of the United Nations. It is a window of opportunity we must make every effort to take advantage of as developing countries.

Hon. Members, we are living in a world that is undergoing rapid transformation, with new challenges emerging daily and demanding attention. India's own emergence as an economic power house has expanded our circle of interaction and engagement with the rest of the world. For us, the main challenge of our foreign policy lies in creating and in maintaining a regional and international environment which would enable us to sustain a high rate of economic growth, create more opportunities for Indian entrepreneurship and enable India to realize its vast, latent potential as a major economic power in the world. Consequently, in the past year, our Government has given the utmost priority to our relations with our neighbours, in particular our relations with China and Pakistan. We have focused our attention on economic diplomacy, with a particular emphasis on energy diplomacy. Our search for energy resources has led us to make large investments in countries as far as Sudan and exploration in Central Asia. Politics and economies must now go hand in hand in the service of India's overall interests as a nation.

Sir, let me pledge that while we remain faithful to the abiding principles of foreign policy laid down by Jawaharlal Nehru and followed consistently by our country since then during the past half a century and more, we are, nevertheless, alert to the compulsions imposed upon us by a rapidly transforming world order and we have the capacity, capability as a nation to respond successfully to the newly emerging challenges that confront us. It is a tribute to India's high standing in the world today that our country has emerged as a compulsory destination for world leaders from across the globe. This image of India as a confident and united nation derives greatly from the continuing political consensus that has all along been the hallmark of our foreign policy.

Sir, I do believe that it is also a recognition of what India has come to stand for in the comity of nations. Our steadfast commitment to democracy, to building a multi-ethnic, multi-religious, multi-lingual, multi-cultural democracy based on respect for fundamental human rights and the rule of law gives us a unique place in our era. All nations of the world, I believe, will

one day function on these very principles of liberal and pluralistic democracy. This enjoins upon us the obligation to nurture these roots of our nationhood. I commit our Government to work earnestly to realise this vision of India's tryst with destiny.

I would like, once again, to thank this House, Mr. Deputy-Speaker, Sir, for extending to me as Prime Minister of this great nation its whole-hearted support and guidance in representing India on the world stage.



013. Media Briefing by Minister of State E. Ahamed on arrangements for Haj 2006.

New Delhi, May 19, 2005.

Minister of State for External Affairs : On 17th May, India and Saudi Arabia have entered into Haj Agreement for the Haj 2006 wherein it is provided that this time there will be 1,37,000 Hajjis (pilgrims) approximately from India. Out of this 1,37,000, there will be 82,000 Hajjis who will be going through Haj Committee of India as last year, and 55,000 Hajjis will be performing the Haj through private tour operators. This time one lakh Hajjis will be proceeding to Mecca through Jeddah. The Hajjis will be taken from Indian destinations to Jeddah, that number will be one lakh. Thirty-seven thousand Hajjis will be flying from Indian airports to Medina directly. On the return trip, 97,000 Hajjis will be coming through the Jeddah Haj terminal and 40,000 Hajjis will be returning through Medina.

Among these 82,000 Hajjis being sponsored by Haj Committee, 52,000 Hajjis will be carried by the Saudi Arabian Airlines and 30,000 will be through Air India. The private Hajjis will be using Air India, Indian Airlines, sometimes other international airlines also.

So far there were three categories of accommodation that Indian Hajjis were being provided. This time there will be four categories of accommodation. The first category will be 600 metres from the Haram Sharif. The Hajjis who will be opting for this category will be paying 2,400 Saudi Riyals. That is the Haj Committee arrangement.

Second category is 601 to 850 metres for which one has to pay 2,000 Saudi Riyals. The third category is from 851 to 1000 metres, the Saudi Riyal rental amount will be 1,650. The fourth category is 1,001 to 1200 metres that is Saudi Riyal 1,050.

Apart from the embarkation points from India, this year there will be one more embarkation, that is, Bhopal in Madhya Pradesh. Last year from Bhopal there were 3,424 pilgrims. Therefore, we would also like to add this Bhopal along with other 15 departure points, that is, Ahmedabad, Aurangabad, Bangalore, Calicut, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Mumbai, Nagpur, Patna and Srinagar.

In the bilateral discussion between Air India and Saudi Arabian Airlines, that is also a part of general Haj Agreement, it was decided that from Patna, Aurangabad and Jaipur, now Bhopal, the Hajjis will be taken to Nagpur and from Nagpur they will be taken to Jeddah or Medina, whichever destination.

This time the Saudi Government has increased the stays for every Haji for accommodation. Last year, a Haji's accommodation tent was 3 metres. This year Saudi Government has increased it to 3.5 metres. But we have pointed out one matter to the Saudi Haj Minister, Dr. Fahd Abdussalem Al Farsi who was the counterpart who has signed the agreement that Saudi authorities had demolished a number of buildings in Mecca so as to reconstruct the new buildings with the result some 60,000 units of homes, not only for India but for other countries also, have been reduced from among the pool of buildings. Therefore, we have requested the Saudi authorities that they shall not insist on the timeframe within which the accommodation should be made available so as to issue the visa. He said it may be some time there will be some flexibility of time in view of the shortage of the buildings available around Mecca. They have gladly agreed to it.

Last time the Haj management of the Saudi Government who are known as South Asia Mo'assassa had put a condition that all Hajjis in the Mina area should take the food they prepare because Hajjis shall not go out or the food should be prepared by any other agencies. Till last year, every Haji would go out and have the food of their liking. Last year they insisted for supply of the food. We had to agree. But the quality of the food and the time of supply of the food were not satisfactory. So, we said we cannot

agree to that suggestion and now it is agreed that food shall not be supplied by their authorities. The Hajjis will be free to have their food during their stay in Mina, that is, five days of the Haj period. So, Haj Committee Hajjis can have the food of their liking as it was prevalent before last year.

These are the main points. Last year we had sent a total of 416 officials including 107 doctors, 125 paramedical staff, 47 Assistant Haj Officers and 137 Haj Assistants who had been deputed in the management of Haj. This time this will continue with maybe some variation here and there.

Saudi Arabia has appreciated the Haj management by the Government. Hajjis would be away in the first month of the next year but the Government has made all the preparations even now lest there should be any complication at the time of the Haj. So, all arrangements have been taken care of at the appropriate time.

This time we have decided to have two Haj Conferences in one year as decided by the last Haj Conference. So, the First Haj Conference will be held on the 4th of June in Delhi. That Conference will finalise other further arrangements with respect to the Haj.

One more point I would like to say about the private Hajjis, Saudi Arabian authorities have made certain guidelines as well as regulations with respect to the Hajjis sponsored by the private tour operators. Therefore, we also have issued some directions to the private tour operators. They all have to register with the Government either directly or through their Haj Associations. But they must all adhere to the instructions given. Anybody who violates this one will be dealt with seriously because Saudi Arabian authorities are very much particular that the Haj Committee Hajjis and Hajjis performing the Haj through the private operators should have the same treatment, same arrangements, and same facilities. So, we insist this time particularly the Hajjis going through the private operators, and private operators are also very well aware of it. We will be insisting on certain conditions and everybody will gladly accept that. Thank you.

Question : There was a meeting on the issue of constituting a Haj Corporation ... (Inaudible)...

Minister of State for External Affairs : That was only a brainstorming session of the Muslim Members of Parliament on how we will be able to

have a Haj Corporation which could be also constituted here like the one prevalent in Malaysia. That is under consideration. Of course, that point has been taken well. A core group of people had been selected to study and put forward a report. On the basis of the report, after consideration, a decision will be taken.

Question : ... (Inaudible)...

Minister of State for External Affairs : All this has to be discussed at that time. How can we say everything. We are taking care of all these things. There should be a self-sufficient system. Can it be changed to a Corporation as what is now prevalent in Malaysia? That is only a matter under consideration. So, I cannot say anything at this point of time. When it comes there we will consider it and its viability and feasibility will be studied and at that time appropriate decision will be taken.

Question : Palestine President is arriving in New Delhi in a few hours. What is going to be the nature of the talks? China has already announced aid for the Palestinian cause. Will India also do something like that?

Minister of State for External Affairs : India has been supporting Palestinian people and India has already committed to extend humanitarian assistance to the people of Palestine. Last year, as you know, on September 17, 2004, I myself carried with me medicines worth two crore rupees and 15 vehicles which we had given to the Palestinian Authority. This year also we will support. Anyway all things will be discussed when he meets our Hon. Prime Minister, Dr. Manmohan Singh. I do not want to make any comment on that.

Question : Will there be some sort of institutionalized mechanism for aid?

Minister of State for External Affairs : It will be an appropriate question after the meeting between the President of Palestine Authority and the Prime Minister of India.

Question : Would India play a creative role in expediting the peace process? Of course, obviously due to the pressure from the Left parties, the present Government is often seen dissociating itself from Israel. Are we actually in a position to play some positive role in expediting the peace process started by the Quartet?

Minister of State for External Affairs : In your justification you have

detailed your own view. My only point is, India has already said many times we hope there will be a comprehensive peace that will prevail there. India has always been supporting Palestinians. India was the first non-Arab country to recognize the Palestinian Authority. India will always continue its unwavering support to the Palestinian cause and their inalienable right to have their own State. So, in this process India naturally and really will, there should also be a ... process to be expedited. Whatever the Sharm El-Sheikh negotiations result was, we even at that time expressed our hope that it will be implemented, but we will be in a much better position to understand after his visit what is the present position.

Question : Mr. Ahamed, America is insisting that India can be a member of the Security Council without the power of veto. What is India's stand?

Minister of State for External Affairs : Hon. Prime Minister has already explained in Parliament our position with regard to the candidature in the United Nations Security Council. Even at that time everybody clarified that the membership of the Security Council - permanent membership - should definitely be with veto power. There are five permanent members, and if there is expansion, same power should definitely be given to any other member who will be added in the Security Council.

Question : When you visited Saudi Arabia a couple of days back, did you take up the issue of expansion of the UN Security Council?

Minister of State for External Affairs: No, I was there only for discussing the Haj matters and I met only the Haj Minister. This was exclusively for the Haj arrangements.

Question : Are you going to undertake any visit in the near future to gather support on this?

Minister of State for External Affairs: When I will go, I will definitely inform all of you.



014. Address by Secretary (East) Rajiv Sikri: “India’s Relations with its Eastern Neighbours”: at the Bangladesh Enterprise Institute.

Dhaka, May 31, 2005.

It is a great pleasure and privilege for me to have been invited by the Bangladesh Enterprise Institute to speak on the subject of India’s relations with its eastern neighbours. These relations constitute an increasingly important dimension of India’s foreign policy, and are subsumed under the catch phrase ‘Look East’ policy that has gained wide currency in India for the past 14 years. As the logical implication of the phrase itself is that before this policy came into being, India was paying insufficient attention to its eastern neighbours, it would be worthwhile to spend a few moments to examine why this was so.

2. Firstly, this was a spin-off of the Cold War, when India and the nations of Southeast Asia found themselves on opposite sides. With the end of the Cold War, however, the strategic environment in South and South East Asia underwent a paradigm change and it became increasingly less tenable to regard South Asia and East Asia as separate strategic and economic theatres interacting only on the margins. Secondly, our immediate neighbour to the east viz. Myanmar, was a fairly closed society and, despite it being a neighbour, India’s ties with Myanmar were quite minimal till the early 1990s.

3. India too was basically inward looking and its meaningful economic integration with the rest of the world started only after the reform process began in 1991. In the post-Cold War era, India (and many others) had to look for new moorings for its economic growth and development. The remarkable economic performance of the roaring ‘Asian Tigers’ that caught the imagination of countries and people around the world inevitably compelled attention and drew admiration in India too. In fact, India’s early economic reforms initiated in the 1980s were stimulated to an extent by the successful example of how the countries to our east had managed to achieve rapid economic growth and poverty reduction through market-oriented policies with a focus on exports. Realizing that we may have missed some openings that came our way in the past, we were determined not to lose the new opportunities that came our way.

4. India’s economic growth rate has steadily accelerated over the years

– from 3.5% in the 1960s and 1970s to a little less than 6% in the 1980s and 1990s. Over the last three years, the Indian economy has grown at an average annual rate of 6.5%. We expect this to go up to 7.5% in the next two years, and are targeting 8% thereafter. Steady, healthy economic growth in India is not merely our expectation; it is that of the world as a whole too. The BRICs report of Goldman Sachs anticipates that India (along with Russia, China and Brazil) will grow rapidly over the next few decades and become by 2040 the world's third largest economy. This projection has been adopted by the US National Intelligence Council's 2020 project, entitled "Mapping the Global Future" that regards the likely emergence of India and China as global players as a development that would dramatically transform the geo-political landscape with potentially significant implications.

5. India's 'Look East' policy is no mere political slogan. It has a strong economic rationale. It was, and is, a response to the changed global equations and trends of the post-Cold War world, as well as a search for political and economic convergence with a large dynamic region evolving into a critical mass of global political and economic power. Our changing economic policies, and our growing self-confidence to see globalization as not merely as a challenge but also as an opportunity, have given us a new perspective on the importance of the Asian region. As Prime Minister Dr. Manmohan Singh has put it, the world wants India to succeed. Other countries, including East Asian countries, want to plug into India's economic growth and opportunities. As India prospers and develops, we want to take our neighbours along with us. When distant countries plan long-term strategies to get a share of the large and growing Indian market, why should not our immediate neighbours like Bangladesh benefit? It is widely recognized that by 2020, globalization would have an Asian face. If the 19th century could be loosely termed as "European" and the 20th as "American", then the 21st century looks set to be "Asian". Thus growing cooperation between India and East Asian countries is economically logical, indeed essential, if Asia is to play a larger role in the world in the coming decades. The path of greater openness in trade and investment that India is following makes greater integration with Asia inevitable. Even today, East Asia (including Japan, China, South Korea and ASEAN) is India's largest trade partner, ahead of the EU as well as the US. It is an increasingly important source of foreign direct investment into India. As India's trade to GDP ratio increases (as we expect it to), the technologically advanced and

highly competitive economies of Asia are bound to have a large share of this increase.

6. India's relationship with ASEAN is central to our 'Look East' policy. There is much that brings India and South East Asia together. There is no history of conflict, only peaceful interaction, with the flow of trade, people and ideas. India has had a long history of civilizational and cultural links with South East Asia, symbolized by Angkor Wat in Cambodia, Borobudur and Bali in Indonesia, and Bodh Gaya and Sarnath in India. It was only when the Cold War ended that natural relationships based on geographical contiguity and commonality of factors could be re-established. Since then, India has developed multifaceted relationships with countries of the ASEAN region, both bilaterally and in a regional framework. In 1992, India became a Sectoral Dialogue Partner with ASEAN. This was upgraded to Full Dialogue Partnership in 1996, when India also became a member of the ASEAN Regional Forum and, since 2002, to a summit-level partnership. This relationship is sustained by a structure of annual summits, supplemented by meetings of the Foreign Ministers, the Ministers of Trade and Industry, and senior officials.

7. India and ASEAN have agreed on a roadmap of 'Partnership for Peace, Progress and Shared Prosperity' over the next 10-15 years that would take forward India-ASEAN cooperation in diverse areas such as energy, agriculture, health, science and technology, culture, tourism, and entertainment. We are committed to deepening our economic integration with ASEAN. The India-ASEAN Comprehensive Economic Cooperation Framework Agreement signed in 2003 envisages the full implementation of a Free Trade Area in goods, services and investment between 2011 and 2016. Our bilateral trade with ASEAN has reached US\$13 billion and is growing rapidly, with a target of US\$ 30 billion by 2007. The India-ASEAN relationship and India's rapidly developing bilateral ties with individual ASEAN countries complement and reinforce one another. With Thailand, India signed a Framework Agreement on a Free Trade Agreement in 2003. India and Singapore are close to finalizing a Comprehensive Economic Cooperation Agreement, and a Joint Study Group has been established to explore a similar agreement with Malaysia.

8. Connectivity – whether by air, rail, road, sea or inland waterways – is the key to closer multi-faceted ties with ASEAN. In the immediate future,

the focus is on improving air connectivity. As a result of a more liberal air services policy for ASEAN countries, air connectivity between India and ASEAN countries has vastly improved over the last year. Myanmar and the Northeast Region provide the geographical contiguity for overland connectivity between India and ASEAN. India is involved in many infrastructure projects in Myanmar. A few years ago, India upgraded the Tamu-Kaleymo-Kalewa road, and an India-Myanmar-Thailand Highway project from Moreh in Manipur to Mae Sot in Thailand via Myanmar is currently being actively discussed among the three countries. In November last year, the India-ASEAN Car Rally from Guwahati to Batam island in Indonesia after passing through 7 other ASEAN countries drew attention, in a dramatic manner, to the geographical contiguity of India, especially the Northeast Region, and ASEAN, and has undoubtedly promoted greater awareness of the potential for trade, tourism and people-to-people contacts between India and ASEAN. As for rail links, India is assisting in the upgradation of the Mandalay-Yangon railway sector, and conducting a feasibility study for building the missing link of about 200 km between Jiribam in Manipur and Kalay in Myanmar that will, we hope, ultimately lead to a Delhi-Hanoi rail link. Also being discussed is the development of the Dawei deep-sea port in Myanmar, with a road link to Kanchanburi in Thailand across the Kra peninsula. Discussions are under way for other infrastructure projects, including the Kaladan multimodal transport project, cross-border roads connecting Mizoram and Myanmar, and Tamanthi hydel project. The timetable for all these projects is the next 5-10 years, so that by the time the India-ASEAN FTA is fully operational the infrastructure is in place to sustain the anticipated much higher level of trade and economic interaction between India and ASEAN.

9. India is also an active participant in the ARF. Maritime security and the protection of sea lanes of communication, energy security, our long shoreline, dependence on sea-borne trade, island territories, a large Exclusive Economic Zone and the fishing industry are all significant factors in our enlarging and intensifying security cooperation with East Asian countries. From a geo-political perspective, the strategic horizons of South East Asian countries converge with those of India in the eastern Indian Ocean. India has common maritime boundaries with Thailand, Myanmar and Indonesia and the main sea-lanes of communication from the Indian Ocean to the Malacca Straits pass close to Indian territorial waters.

10. The optimal success of India's policy of active engagement with its eastern neighbours involves Bangladesh. Historically, present-day Eastern India, Bangladesh and Northeastern India were always an integrated political, economic and cultural space. This region played a leading role in national life – in politics, economic development and intellectual debate – in pre-Independence India, thanks to its natural wealth and human resources. If it is to regain that role, India and Bangladesh need to take advantage of the numerous similarities, complementarities and synergies in the fields of economy, culture, history, language and society to ensure the coordinated regional development of this region. The growing popularity of sub-regional cooperation is an inevitable consequence of globalization, and its importance for optimal and integrated development is increasingly recognized. Failure to exploit available synergies and complementarities hurts all sides in the long run – economic development suffers; personal and family contacts are disrupted; for governments there are security headaches and revenue losses as a soft, somewhat shadowy border zone, harbouring terrorists, smugglers, gunrunners, drug dealers, traffickers and assorted criminals, comes into being. It is our hope that over time this region would be seen not as the periphery of the Indian subcontinent but would become the core of a thriving, dynamic and integrated economic space with a network of highways, railways, pipelines, transmission lines criss-crossing the region.

11. The 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation', or BIMSTEC, that brings together countries around the Bay of Bengal, viz. Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand can play an important role in this regard. It can also act as a bridge between the countries of South and Southeast Asia. At the 1st BIMSTEC Summit last year, there was agreement to concentrate on regional projects that would benefit people. As in the case of ASEAN, a Free Trade Area lies at the core of BIMSTEC activities. All BIMSTEC countries have agreed to work towards a Free Trade Area in goods, services and investment that will come into effect between 2006 and 2017. All over the world, most countries normally have a fairly large percentage of their overall foreign trade with neighbouring countries, but this is not the case in our region. This anomaly needs to be corrected urgently. The silver lining is that the relatively low level of regional trade and economic activity in the BIMSTEC region only brings out how large is the unexploited potential for expanding trade and investment, which will translate into jobs and economic growth

for all countries in our region. Energy understandably figures high on the agenda, since there is so much potential for developing and exploiting to mutual benefit the rich hydropower and hydrocarbons (especially gas) reserves in the region. Myanmar, Bangladesh and India have recently taken the initiative to look at the possibility of a gas pipeline project to transmit gas from Myanmar to India through Bangladesh. This could become the model for future regional cooperation projects with potential benefit for all members.

12. Another regional organization about which I would like to make a brief mention is the Mekong-Ganga Cooperation (MGC) that brings together India, Myanmar, Thailand, Cambodia, Laos and Vietnam to cooperate in the fields of education, culture, tourism, and transport and communications. Both BIMSTEC and MGC supplement and complement the growing India-ASEAN relationship.

13. As China is India's largest neighbour, developing friendly cooperation with China is an important priority in our foreign policy. India seeks friendly, cooperative, good-neighbourly and mutually beneficial relations with China. With the frequent high-level exchanges between our two countries the process of building trust and understanding has gained momentum and our relations have diversified across a wide range of areas. Our relations with China have reached a level of maturity where we are determined to build upon our existing commonalities and identify newer areas of mutually beneficial cooperation. At the same time, we are striving to address our differences, including the boundary question, in a proactive, purposive and mutually acceptable manner without allowing them to affect the comprehensive development of our relationship.

14. The positive trends in our ties with China are most vividly manifest in our rapidly increasing trade and economic relations. Trade turnover crossed US\$13 billion last year. Indian industry is looking with confidence at the opportunities for mutually beneficial cooperation with China. Chinese firms are investing in India, and Indian companies, including especially those in IT and pharmaceuticals, where we have some strength, are investing in China. A Joint Study Group that had been set up to examine the potential complementarities between the two countries has recommended an India-China Regional Trading Arrangement. People-to-people contacts, including tourism, cultural and other cooperation are steadily increasing.

15. Both India and China also look at their relationship in a larger regional and global perspective. This is natural, considering that both countries constitute more than one-third of the world's population and are among the largest and fastest-growing economies of the world. We are increasingly cooperating within the framework of the UN, the WTO, with the G-8, and trilaterally with Russia. During the recent visit of the Chinese Prime Minister Wen Jiabao to India, it was agreed to establish a "strategic and cooperative partnership for peace and prosperity" between India and China. This reflects the consensus between the two sides that there is more than just a bilateral dimension to their relations, which have now acquired a long-term, global and strategic perspective with growing influence of the two countries on the regional and global stage. India-China relations should not be viewed with the old mindset of 'balance of power' or 'conflict of interests'. While some degree of healthy competition between the two countries is inevitable, particularly in the economic field, there is growing realization that there is enough space and opportunity in the region and beyond for both countries to grow as friends and partners, and not as adversaries or rivals. Asia has a promising future of dynamic growth, and it is natural that China and India should be two important players in Asia's quest for peace, prosperity and stability.

16. As the world's second largest economy, Japan plays a key role in Asia and the world. Yet India's relations with Japan till now have been relatively underdeveloped, compared to the potential. But things are changing. During Japanese Prime Minister Koizumi's visit to India just over a month ago, both countries agreed to give a new strategic orientation to their Global Partnership in the 'new Asian era' and adopted a concrete eight-fold initiative to strengthen it. Both countries recognize that India and Japan will be two key players in Asia in the coming decades, with a broad convergence of long-term interests and concerns. Economic partnership is an important dimension of our ties with Japan. We have agreed to set up a Joint Study Group that would explore how to upgrade the framework for comprehensive economic cooperation, including the feasibility of an India-Japan Economic Partnership Agreement; to encourage large-scale Japanese investment in infrastructure projects in India; to step up cooperation in the field of science and technology as well as security and defence; take cultural and academic initiatives; and strengthen people-to-people contacts to raise mutual awareness in both countries.

17. Similarly, South Korea is also an important partner for India. Our relations are friendly and cooperative, and have steadily developed since we established diplomatic relations just over three decades ago. South Korean companies are aggressively seeking markets in India, have made significant investments and have learnt how to do business in India. They also envisage India as a global manufacturing hub for other markets in Asia and elsewhere. Similarly India companies are also buying into South Korean companies as they seek to become globally competitive. During South Korean President Roh's visit to India last year, India and South Korea decided to establish a "Long Term Cooperative Partnership for Peace and Prosperity in order to fully utilize the substantial potential and opportunities for deepening mutually beneficial cooperation. A Joint Study Group has been set up to see how to energize the economic relationship, including the feasibility of a comprehensive economic partnership agreement.

18. I should add a few words about India's relations with Australia and New Zealand. Although separated by distance, our commonalities – such as the English language, membership of the Commonwealth, democracy, rule of law, love of cricket – draw us ever closer. Both countries are increasingly attractive destinations for Indians seeking education or employment abroad, going for tourism. They have attracted Bollywood¹ producers for shooting films, and trade and industry in all three countries is finding synergies in new areas, including in IT and biotechnology. Australia is a huge wealthy country, rich in natural resources that we wish to tap for our economic development, while Australians too find India an increasingly attractive market and investment destination.

19. India's participation – together with the ASEAN countries, China, Japan, South Korea, and possibly Australia and New Zealand too – in the first East Asia Summit to be held in Kuala Lumpur this year flows from our significantly accelerated engagement with the ASEAN and other East Asian countries over the past decade. Growing multifaceted cooperation, economic integration as well as improved connectivity between India and its neighbours to the east make India a natural participant in the East Asia Summit process that has the potential of changing strategic equations in Asia and the world, and facilitating the emergence of Asia as a new pole of growth and influence in the world. An open and fast growing India has much to offer Asia and will

1. Indian film industry located in Mumbai.

help to create unprecedented interdependence and opportunities for mutually beneficial growth and prosperity.

20. Prime Minister Dr. Manmohan Singh has spoken of his vision of an Asian Economic Community, bringing together the largest Asian economies of ASEAN, Japan, China, South Korea and India at its core that would constitute a new driver of growth in the world economy. He envisages an integrated market from the Himalayas to the Pacific Ocean linked by efficient road, rail, air and shipping services. This would be a community of nations, roughly the size of the European Union in terms of income and bigger than NAFTA in terms of trade, that would bring together half the world's population, and would have foreign exchange reserves exceeding those of the EU and NAFTA put together. Such a community would constitute an 'arc of advantage' across which there would be large-scale movement of people, capital, ideas and creativity. It could be an anchor of stability and development for Asia and the world. We hope that one day in the not so distant future it would be possible for tourists, pilgrims, workers and businessmen to take a bus from Kolkata via Dhaka to Bangkok, and ride a train from Delhi to Singapore on an authentic Orient Express in the 21st century.

21. Today, it may look like a dream. It is no doubt an ambitious goal, but an achievable one. The success of this idea depends upon all of us in the region. The building blocks of such a wider Asian community are already being put in place. The developing preferential and free trading arrangements among Asian countries and groupings could naturally evolve into a broader regional trade and investment architecture that would provide optimal benefits, stronger synergies and deeper complementarities to all participants. Naturally, this will not come about easily. We are only at the beginning of the process, and much time, energy and perseverance is required to translate this vision into reality. If we can think out of the box, eschew narrow perspectives and prejudices, and take a long-term view of what we must collectively do in a globalized, fast-changing world, we can promote peace and bring prosperity to our peoples. If not, we may be left behind.

22. India is actively seeking closer and wider engagement with its Asian neighbours, including its immediate neighbours. India's 'Look East' train has an exciting journey ahead. We invite Bangladesh on board this train.



015. Address by Minister of State E. Ahamed at All India Annual Conference for Haj 2006.

New Delhi, June 6, 2005.

Hon'ble Kunwar Natwar Singhji, External Affairs Minister,
Hon'ble Shri Praful Patelji, Minister of State for Civil Aviation (Independent Charge)

Chairman and members of Haj Committee of India,
Hon'ble Members of Parliament,
Chairmen and members of the State Haj Committees,
Distinguished Religious Scholars,
Members of the Media,

Ladies & Gentlemen,

I consider it my great privilege to welcome you all to the All India Annual Conference for Haj 2006. While I have had the opportunity of being associated in one form or another with Haj arrangements of the Indian pilgrims for over one decade, I consider it my greatest privilege to have been the Minister of State for External Affairs incharge of Haj matters for the past one year. It is a matter of added satisfaction that today's All India Annual Haj Conference is taking place well in time and would provide useful guidance for the Haj 2006. We are indeed grateful that the Hon'ble Minister of External Affairs Shri Natwar Singhji has been able to find time from his very busy schedule to inaugurate the Conference today just as he had done last year. I am also grateful to my dear colleague Hon'ble Minister of Civil Aviation, Shri Praful Patelji to make it convenient to grace this occasion and to share, inter alia, his vision about Haj 2006 air operations. It's a matter of fact that Ministries of External Affairs and Civil Aviation always share the responsibilities of the Haj pilgrims.

The Annual Haj Conference is indeed an institutionalized platform for all stakeholders in Haj such as the political leadership, the Haj Committees, the Government departments, the Airlines representatives, Parliamentarians and learned men of religion to air their views through transparent discussions, exchange of opinions and brainstorming sessions on the Haj arrangements. The inputs and the insights provided by the Haj Conferences held in the past have enabled the Government to streamline the official framework entrusted with the Haj management and improve in a

systematic manner through administrative and legislative measures the existing scheme of Haj operations. The Conference also provides a forum for policy pronouncements by the Government – Hon'ble Minister of External Affairs would be pronouncing the new feature's of Haj 2006 policy shortly.

The Government and the Haj Committee of India continuously strive to improve the twin requirements of accommodation of pilgrims in Saudi Arabia and their air transport to and fro India. During my visit to Saudi Arabia in May 2005, I held extensive discussions with the new Saudi Haj Minister Dr. Fouad bin Abdussalam Al Farsi on the arrangements for the coming Haj. I am happy to state that I was able to convey suitably to the Saudi Haj Minister our requirements and concerns regarding the needs of our pilgrims. We also signed the Haj 2006 Agreement; you will be hearing the salient details of the agreement in the address of Hon'ble Minister of External Affairs.

The accommodation arrangements for Haj 2006 are being taken in hand in the right earnest. Building Selection Teams (BSTs) from various States have started visiting Saudi Arabia from 1st of this month. The work of Building Selection Teams will be monitored by the Building Selection Committees (BSCs) who are members of the Haj Committee of India. Our officials in Jeddah would be able to give you specific details of the arrangements that are being made for Haj 2006. I propose to make another visit to Jeddah, Makkah and Madina later this year for personally inspecting the various arrangements for our pilgrims.

As regards the air transport, officials of the Ministry of Civil Aviation and Air India have had preliminary discussions with the Saudi Arabian Airlines in April and May this year. Air India/Indian Airlines and Saudi Arabian Airlines will jointly organize the air transport of all our pilgrims between India and the Kingdom.

Being aware of the problems being faced by the pilgrims going through the Private Tour Operators (PTOs) and taking note of the Saudi Arabian authorities' instructions and guidelines with respect to Haj arrangements by PTOs, the Government has started the registration of PTOs from Haj 2003 onwards. There have been positive results as the number of the cases of pilgrims remaining unattended in Saudi Arabia has considerably declined. Through consultations with the State Haj Committees from this year, we would continue to streamline the activities of the PTOs further for the overall welfare of pilgrims going through the PTOs.

I would like to convey my gratitude to the Hon'ble Minister of External Affairs and Minister of State for Civil Aviation for making it convenient for themselves to be present with us today.

I thank one and all who are here for their gracious presence.



**016. Address by External Affairs Minister K. Natwar Singh
at the All India Annual Conference for Haj 2006.**

New Delhi, June 6, 2005.

Shri Praful Patel, Minister of State for Civil Aviation (Independent Charge),
Janab E. Ahamed Saheb, Minister of State for External Affairs,
Janab Tanveer Ahmed Saheb, Chairman of the Haj Committee,
Distinguished Parliamentarians and religious scholars,

Ladies and Gentlemen,

I am very glad to be amidst you all once again to inaugurate the All India Annual Haj Conference for Haj 2006. I compliment and congratulate all those involved in making the arrangements for the Haj and for their contribution to the smooth and successful organization of Haj 2005 which passed off without any untoward incident. I am glad to learn that a total of 131116 Indian pilgrims have performed Haj in 2005 which is an all-time high.

I am sure you all would also like to join me in expressing appreciation to my colleague, Shri E. Ahamed, for his keen interest in bringing about improvements in Haj affairs. His immense experience of handling Haj matters is very useful in formulating appropriate policies for Haj management.

The Annual Haj Conference is a very important event in Haj management as Central and State Haj Committees, Members of Parliament, religious scholars and the Government officials, who participate in the Conference, jointly review and deliberate upon the experiences of the previous Haj. They also discuss inadequacies and flaws, if any, for ensuring better arrangements for the next Haj.

Similarly, after every Haj, a composite high-level delegation comprising officers from the Ministries of External Affairs and Civil Aviation, Air India, Chairman and members of Haj Committee of India visits Saudi Arabia to review the arrangements made for the pilgrims in the previous Haj. The shortcomings identified in the arrangements in the previous Haj, if any, are examined, in consultation with the Saudi authorities/agencies to bring about further improvements in the next Haj. With this end in view, after conclusion of Haj 2005, Shri Rajiv Sikri, Secretary (East) in the Ministry of External Affairs, led a composite delegation of officials from the Ministries of External Affairs, Civil Aviation and Air India, members from the Haj Committee of India, including its Chairman, to Saudi Arabia in April 2005 to review the arrangements made during Haj 2005 and to plan for Haj 2006.

Shri E. Ahamed, Minister of State for External Affairs also visited Saudi Arabia in May 2005 and met with the Saudi Minister of Haj. The two Ministers also signed the Annual Haj Agreement for Haj 2006. India was once again among the first countries to send a delegation to Saudi Arabia for discussions on the arrangements for the coming Haj and to sign the Agreement with the Saudi Haj Ministry. Our Haj arrangements are acknowledged as one of the best in the world and appreciated by the Saudi authorities. Government is always sensitive to the needs of the Hajjis and will continue to streamline and improve the arrangements. As a result of deliberations during these two visits, various decisions for the overall welfare of Indian Haj pilgrims performing Haj have been taken. Some of these decisions are:

- i) The number of Indian pilgrims who would perform Haj 2006 has been increased from 127,000 to 137,000. Of these, 82,000 pilgrims would perform Haj through the Haj Committee of India, which is the same number as during Haj 2005; the remaining 55,000 pilgrims, up from 45,000 during Haj 2005, would perform Haj through the Private Tour Operators. I take this opportunity to thank the Government of the Kingdom of Saudi Arabia for increasing the pilgrims quota in 2005 and enabling 10,000 more pilgrims to perform Haj 2005 under the Haj Committee even after the signing of the Haj Agreement.
- ii) For their journey to Saudi Arabia, 100,000 pilgrims would proceed from various embarkation points in India to Jeddah; the remaining

37,000 pilgrims would proceed directly to Madina. For their return journey, 97,000 pilgrims will return to India from Jeddah while the remaining 40,000 will return to India from Madina.

- iii) The space norm for accommodation of pilgrims in Makkah has been enhanced from 3 sq.m. to 3.5 sq. m. per pilgrim.
- iv) In addition to existing three categories of accommodation for pilgrims in Makkah, another category of accommodation is being introduced during Haj 2006 to bring in further economy in performance of Haj. Under this category, Indian pilgrims may opt to stay between 1001 to 1200 meters of the Haram Sharief at the rate of Saudi Riyal 1050 per person.
- v) Of the 82,000 pilgrims who would be performing Haj 2006 through the Haj Committee of India, 52,000 pilgrims are likely to be carried by Saudi Airlines and the remaining 30,000 by Air India.
- vi) Subject to further examination and approval, it is proposed to add Bhopal or Indore as an additional embarkation point during Haj 2006. I would also urge that Jodhpur be considered as an additional embarkation point due to considerable demand from that area.
- vii) It has been decided that the food arrangements existing before Haj 2005 would be reintroduced for Haj 2006.

Realizing the increased interest amongst Indian pilgrims to perform the Haj, the Government had increased the number of Haj Committee pilgrims from 72,000 to 82,000 during Haj 2005. As you would have noted, for Haj 2006 while the number of Haj Committee pilgrims has been retained at 82,000, the number of pilgrims who are likely to perform Haj through the private tour operators is being increased from 45,000 to 55,000 which would take the number of persons performing Haj 2006 to a new high.

The Government had taken a decision during Haj 2005 to remove the restrictive measures which were introduced during Haj 2004 by the previous government in respect of availing of subsidized airfares by the pilgrims performing Haj through the Haj Committee of India. The Government is committed to take whatever further measures are required to bring about more transparency and efficiency in the Haj arrangements that have been in force over the last several decades.

During Haj 2005, we had achieved a major milestone as the opportunity for the Haj Committee pilgrims to land in Medina directly from India was made available. This has been greatly appreciated by the pilgrims and has also resulted in saving of some expenditure and facilitating better movement of pilgrims. More Indian pilgrims will arrive in Medina directly from India under this arrangement during Haj 2006.

As welfare and well-being of Haj pilgrims has always been a matter of utmost concern to the Government, I would urge the Haj Committee of India, the State Haj Committees, our Missions in Saudi Arabia and all concerned with Haj affairs to give higher priority for the orientation of the prospective Haj pilgrims so that their pilgrimage is both proper and satisfying. The Government would also continue to deploy administrative, para-medical and medical personnel to look after and assist the Indian pilgrims during their stay in Saudi Arabia. The deputationists will be chosen carefully to give representation to various regional and linguistic backgrounds. Besides, various State Governments will be deputing over 150 Khadimul Hujjaj to provide additional support. During Haj 2006, State Haj Committees are being allowed to depute one Khadim-ul-Hujjaj for every 300 pilgrims instead of every 500 pilgrims as at present. I would request all States to kindly send the requisite numbers this year to Saudi Arabia. In addition, the Consulate General of India in Jeddah will be hiring the services of local volunteers from the Indian community.

There has been extensive use of Information Technology in Haj Management. There is total computerization of pilgrim location and movement including of all those performing Haj through the private tour operators. The website of the Indian Consulate General in Jeddah, provides the whereabouts of all the pilgrims and their relatives in India can communicate with them during their stay in Saudi Arabia.

There has been considerable improvement in the comfort level of Haj Committee pilgrims in recent years. Complaints however continue to pour in from some pilgrims performing the Haj through private tour operators about deficiencies in accommodation and other facilities as promised by the private tour operators. As the Government is ultimately responsible for all Indian pilgrims, whether going through the Haj Committee or individual tour operators, we continue to strengthen the regulatory framework to prevent exploitation of the pilgrims by private tour operators to ensure that these pilgrims are also able to perform a proper and satisfying Haj.

I take this opportunity to briefly touch upon two other areas of concern to the Government. Firstly, as you are aware, the new Haj Committee Act 2002 which repealed the old law of 1959, provides for a more representative and broad-based character to the Haj Committee, envisages better financial accountability, provides for Parliamentary scrutiny and sets out clearly the responsibilities of the various organs concerned with Haj management. The new Haj Act confers statutory recognition to State Haj Committees. Six Members of the Central Haj Committee are to be elected from the six zones through the State Haj Committees. However, it is a matter of great concern that some of the States have still not constituted their Haj Committees in accordance with the new Act. I would like to renew my request, which I made at this Conference last year, that those States who have so far not constituted their State Haj Committees in pursuance of the new Act may please do so expeditiously so that the task of holding Zonal Elections can be undertaken without delay. I would also call upon all concerned to ensure that the audited accounts of the Haj Committee of India w.e.f. 5th December, 2002 are placed before the Parliament without further delay.

On their part, the Government and the Haj Committee of India constantly strive to make the Haj as comfortable and affordable. While all possible measures are taken to cater to the diverse requirements of all Haj pilgrims, considering the magnitude of the logistics of movement, accommodation and air transport, it is not always easy to satisfy all the pilgrims. I would, therefore, request the pilgrims to show patience and understanding. As improvement in Haj Management is a continuous process, I on behalf of Government of India would like to assure you that we would consider all suggestions that would emerge from the deliberations of this Conference to bring further improvement in Haj management.

I extend my best wishes for a very successful All India Haj Conference.



017. Keynote address of External Affairs Minister K. Natwar Singh at Chatham House on: “India : The Next Decade”.

London, June 27, 2005.

Mr. Foreign Secretary, Professor Bulmer-Thomas, Mr. Martin Wolf, Ladies and Gentlemen,

I am delighted and honoured to have this opportunity of speaking at Chatham House, which, in its chequered existence, has done so much to erode, if not eliminate, the deeply entrenched and totally erroneous Anglo-Saxon ‘mantra’ that to have ideas or to be called an intellectual was not only reprehensible but a symptom of mental disorder. I am this morning venturing to share with you an idea or two. And let me assure you that the Foreign Minister of India is sound of mind and, to paraphrase E.M. Forster, ‘does not have an undeveloped heart’.

I also wish to express my appreciation to Foreign Secretary Jack Straw for his participation. We know of his long attachment to my country and the encouragement and support he has always given to the strengthening of our unique relationship.

It is appropriate that the Rajiv Gandhi Institute for Contemporary Studies should be associated with the forward-looking theme of the conference, a subject, which has been engaging global opinion. I had the privilege of being very closely associated with Rajiv Gandhi. He was a Prime Minister and personality who worked to realise an inspiring vision of India and the enthusiasm and promise he brought communicated itself to the people of India. He believed that with dynamism, dedication, determination, modern management and technological innovativeness, the social and economic challenges of the country could be met and overcome. He was already a man of the 21st Century when he became Prime Minister in 1984. He altered the stagnant mind-set of hundreds of millions of people in India.

A decade in today’s world is a long time in a nation’s life, given the acceleration, which occurs within dynamic societies and economies. Witness the transformation of India in the decade since we embraced economic liberalisation in the 90s. However, it seems to me from what respectable forecasting institutions have projected that India – together with China – are more the flavour of the century, than of the decade. McKinsey had

forecast a steeply rising graph of India's economic rise some time ago. More recently, we have the report of Goldman Sachs, which predicts that India will be the third largest economy in dollar terms within 40 years (it already is the fourth largest economy in terms of purchasing parity). This was followed by the projection of multiple scenarios by the American National Intelligence Council. In every scenario they found a central global role for India. Most recently is a study by the Deutsche Bank, which brings forward the time, which may be required by India to become the third largest global economy. Many in the audience would be familiar with the recent special coverage given to the rise of India and China in the two leading economic papers of London, 'The Economist' and the 'Financial Times'. For the latter, Martin Wolf himself was responsible.

In the next decade, therefore, we could see India positioning itself for greater accomplishments as the century progresses. Today let me delineate the contours for our own map for 2005 – 2015.

Not so long ago India was a byword for poverty. This is no longer the case. But India is still a country with a large number of poor people. The number of the poor as a percentage of the population has been shrinking steadily but a fifth of the population is unable to escape from extreme poverty. Prosperity in a nation cannot be sectional. The national task is not complete until a life of decent living, education, health and real choice is offered to all its people, and not only to many, or even most, of its people. The core challenge before India, despite dramatic advances, therefore, will remain in the coming decade that of a developing country. It will be centred on full literacy, vastly improved statistics for maternal and infant mortality, acceptable standards of nutrition and healthcare. India is today in a confident mode, not a self-congratulatory one. We are mindful of the long and steep road still to be traversed to consign poverty to a historical memory. The policy of the Government headed by Prime Minister Dr. Manmohan Singh is determined on finding the right emphasis in public policy on the social agenda, expressed generally through the millennium development goals. Priority is given to rural infrastructure and poverty elimination.

I have, in a light-hearted manner sometimes remarked that every statement about India is true – so is its opposite. Even before our economic surge, it had been said that India is a rich country with a lot of poor people.

India is now spoken of as a country of the future and of great potential.

Given our history, we can stretch our perspectives in evaluating the India phenomenon along several time horizons. We can take the shortest perspective of the economic reform and liberalisation process, which started in 1991 after a collapse in our balance of payments and the almost simultaneous collapse of the Soviet Union. The programme of elaborate economic reform had been initiated earlier, but this was a watershed. Dr. Manmohan Singh, as the then Finance Minister, played a pivotal role. The brisk momentum of reform since then has been maintained by all governments.

We recognise the sectors where galloping reform is immediately needed - infrastructure, pertaining to airports, railways, ports, roads, energy and telecommunications including mobile phones. Transaction costs in terms of time and expense will otherwise be a brake on both internal and external investment within the economy. Many advances have been made, but concentration of efforts will be redoubled in the decade to come.

In the coming decade, India offers partnership to the outside world in all areas of economic and IT activity, ranging from agro-processing, pharmaceuticals and manufacturing to higher - end services and knowledge based industries. In the next decade, the integration of India with the global economy will grow apace and we will seek partnerships and alliances to mutual advantage. Potential partners abroad could do well to seek out the 'India Advantage' as a solutions hub, a remote service provider, a base in sophisticated research and development, manufacturing, joint venture partner, a location for captive investment or a shareholder in exploring commercial spin-off potential in new technologies.

Areas of cooperation would spread from traditional exports to high technology areas such as the full range of information technology, life sciences, biotechnology, bio-informatics, materials sciences, applications of nano-technology, sophisticated data and systems processing, business and knowledge process outsourcing or animation and other processes in the area of entertainment. We can jointly define a new understanding of globalisation in the next decade. In the partnerships India will be forging in the next decade, the UK will occupy a special place, given the many features of our unique relationship. Globalisation must have a more benign profile. The profit incentive, admirable in many ways, must not disregard ethical and moral imperatives.

Let's now turn to India's foreign policy. Speaking on behalf of a country prepared to assume a pivotal role in its own region as well as in the global community, let me enunciate our foreign policy objectives and vision for the coming decade. Foreign policy is what you do. Diplomacy is how you do it.

Our foreign policy has been an independent one since the days of Pandit Jawaharlal Nehru, and must remain thus. Further, being a national undertaking, it has enjoyed broad national consensus, barring a few minor hiccups, over these last fifty-eight years.

There are no precedents for managing a democracy of 1.2 billion people. The preamble to our Constitution enjoins the dignity of the individual and the unity and integrity of the nation. So, for ourselves we seek, first and foremost, security and economic prosperity. These are not clichés, but essential to our providing decent living to a billion-strong population. These objectives must motivate India's interaction with the world in all matters, whether they are political, economic, strategic, or cultural.

Ideologies, in their traditional garbs are taking a backseat and rightly so. The international agenda has to be realistic when enumerating its contemporary priorities - human resources, knowledge capacities, economic enterprise, infrastructure and strategic strengths. Then there are its innovative skills, natural resources, the successes of Indians living and working abroad and their cultural influence. These elements, combined with the physical space that a nation occupies, contour its geopolitical worth and provide the stimulus for its aspirations. India is fortunate in many of these aspects.

With the major countries and regions of the world, we are committed to an energetic schedule of political, economic and security exchanges. There already exist greater trade and bi-directional investments, people-to-people exchanges, and cultural interchanges.

With the US, we have a strategic partnership that spans a wide range of cooperative endeavour. Dr. Manmohan Singh would be making an official visit to the United States next month and addressing a joint session of Congress. Our relations with the US have never been better. With Russia, we have broad ranging co-operation and have embarked on major programmes on energy security. Russia is helping us build a civilian nuclear

power plant and we are investing in Russian oil fields. With China, while continuing a dialogue on our border difference, we have greatly expanded the areas of our political, economic, commercial and cultural interaction. Earlier this month, I visited Vladivostok for the 4th trilateral meeting of the Foreign Ministers of India, Russia and China. We discussed issues of common interest including trilateral projects.

We are all aware of the dangers of the growing phenomenon of terrorism, proliferation of technologies and weapons of mass destruction by authoritarian and failed States and unstable military regimes. In the UK, you have shown sensitivity to our concerns on terrorism.

Today we need to address new challenges with all the ingenuity and capabilities at our disposal. The UK's Strategy Paper for the Foreign & Commonwealth Office in December 2003 outlines these objectives as the foremost of its international priorities. The paper also identifies India as one of the countries the UK wished to develop a strategic partnership with.

During Prime Minister Manmohan Singh's visit in September 2004, a Joint Declaration – 'Towards a New and Dynamic Partnership' was adopted. Both sides agreed to upgrade bilateral relations through a comprehensive strategic partnership. This includes, among a wide menu of activities, cooperation in civilian nuclear activities and space programmes, high technology trade, basic and applications research, defence cooperation including co-production of defence equipment, apart from joint action against terrorism.

We have a dialogue with the UK on civilian space and nuclear cooperation, export controls, proliferation and disarmament.

India has an expanding technological base, and our space programme has proved its potential and worth. Our energy requirements are enormous, and to sustain the momentum of rapid economic growth we need to tap nuclear energy, for which the cooperation of the international community is welcome.

India is a responsible nuclear power, committed to tight control over proliferation of technologies of weapons of mass destruction, a commitment that has not necessarily been matched by some signatories of the NPT. I also recently piloted the WMD and their delivery systems (Prohibition of

Unlawful Activities) Bill in the Indian Parliament, which enshrines this commitment into national law.

Prime Minister Tony Blair has invited Dr. Manmohan Singh to participate, along with other outreach countries, in the talks on climate change and other current global economic issues, at the G-8 Summit in Gleneagles in early July, 2005. That meeting, we hope, will come up with workable solutions to promote a cleaner environment and greater energy efficiency.

We look forward to Mr. Blair's visit to Delhi in September for the 6th India-EU Summit, which we see as especially important in our relations with the EU, for it will launch the India-EU Joint Action Plan. This is the first such comprehensive Action Plan that we have with any of our partners. The Action Plan gives us the opportunity to intensify our engagement with each other over the whole range of issues on which we interact, from enhancing opportunities for partnership and alliances in trade, investment and technology to strengthening joint efforts to fight terrorism. It seeks to give shape to our strategic partnership with the EU, launched at The Hague in November last year at the landmark 5th India-EU Summit. We have been following with great attention, the recent deliberations in the EU as to the directions in which its future lies. We have no doubt that the EU will emerge an even stronger partner from this period of introspection.

India is a force for stability within Asia. It is building stronger ties with its extended neighbourhood – Central Asia, the Persian Gulf, Indian Ocean and Southeast Asia – through greater economic, commercial and security engagement. We have civilizational links with the Arab world and have always supported the just aspirations of the Palestinian people and the establishment of an independent state of Palestine. We were happy to see the revival of the peace process and hope it leads to the establishment of a sovereign, independent and viable state of Palestine with safe and secure and well defined borders, in line with the relevant UNSC Resolutions and the Quartet Road Map, living side by side with the state of Israel.

The existing world order needs to take into cognisance the aspirations and hopes of the Islamic world. India is a good example of how this can be done through democratic and consensual means, thereby strengthening the forces of coherence and integration within societies.

Our relationship with Africa and with Latin America finds new

substance. We believe that techno-economic cooperation amongst us holds great promise and, in this endeavour, the Indian private sector is fully involved. The India-Brazil-South Africa initiative brings three continents together in the pursuit of development, and would prove the relevance of South-South cooperation for an effective say in international affairs.

As regards South Asia, it is now a region increasingly aware of the benefits of regionalism. Although SAARC was formed eighteen years ago, it is only in the last two years that we have come together with an economic and social agenda of some purpose. Problems do exist, but leaders should not contemplate problems; they should find solutions.

India's neighbourhood and look east policy, pragmatic and fortified with a blend of political sagacity and economic confidence, is helping prevail over old misgivings in the region. Our composite dialogue with Pakistan shows promise. India will even take unilateral measures where necessary, to direct the building of a strongly interconnected subcontinent, and thus promote the well being of this quarter of humanity. Given our size and resources, we recognise that India has a special responsibility in switching on the engine of South Asian prosperity. Economic progress would also yield complementary political benefits. We know it is a complex process, but we will stay engaged.

Expanding links with the economies of South East Asia, and with Japan, China, and South Korea, could create a community of Asian dynamism, one that augments our capabilities and multiplies our prospects. The East Asian summit to be held later this year will articulate our common purpose and ambitions.

Thus, even the new dynamism in India-China relations will have a significant economic and geo-political impact in Asia. I am told that, today, any critical thinking on an issue needs to be tapped from the 'blog'. One recent blog says, "The Financial Times obsesses over China and India even more than the Wall Street Journal does. One did not think it possible, and yet there it is." For this, I believe we also have to thank our Chairman, Mr. Martin Wolf, here who plays an important role in determining what the Financial Times writes about.

A decade from now the population of our planet is predicted to reach 7.2 billion people, with more than 1.4 billion of them being Chinese and 1.2 billion being Indian. Of the Indian population, some 68% or more than 820

million will be in the active working age group. By 2015, the technological, demographic and social changes of Asia will influence every aspect of global and local existence.

In all of Asia, in West Asia, in the Indian Ocean region, and the Asia-Pacific region as a whole, India, given its size and economic reach, is an essential partner in any arrangement that wants to successfully promote stability and security. From preventing failed states becoming havens for terrorism, to preventing trans-national crimes, to protecting the sea-lanes of Asia, to spurring regional development, we see scope for a much broader collaborative regional and multilateral agenda for India, regionally and multilaterally. Our approach emphasises dialogue, partnership and cooperation. It aims to reinforce the principles of democracy, pluralism, secularism, economic development and multilateralism.

The function of multilateralism as a civilized clearinghouse for threats that face nations collectively is not a recent phenomenon. Since its founding in 1945, the United Nations is engaged in the most intense process of introspection in its history. Sixty years down the road, if there is any unanimity of views within the UN membership, it is on the need for reform, among other things, to address the democratic deficit that exists. Such reform cannot be selective or piecemeal, but must comprehensively address all the shortcomings of the current arrangements. Recent crises warn us that it is vital to truly reflect the collective will of the community of nations.

There is also the conviction that the need for reform is nowhere greater than in the Security Council. The current permanent membership of the Council represents the world of 1945. Most of its decisions pertain to developing countries, those countries that find little representation in this most critical of decision-making bodies. An effective way to achieve global stability would be through greater consultation. A collective voice is heard and heeded better.

India's presence as a permanent member of the Security Council is the best means to authenticate and reinforce the representative character of the Council. The weight of the opinion of a billion people, representing the world's largest democracy, would validate the agenda and decisions of the Council in the perspective of the vast majority of developing countries.

India, as a founder member, has always been a team player in the United Nations. It has been at the forefront of the struggle against colonialism

and apartheid. It has advocated some of the most practical yet far-reaching proposals to secure nuclear disarmament. It has been one of the largest contributors of troops to United Nations peacekeeping efforts all over the world, particularly in Africa. India has advocated greater flows of assistance to the less developed countries, even as it has contributed significantly towards such efforts, despite its own limited resources.

We value the support for our candidature that the United Kingdom has extended and look forward to working with it during the current deliberations in the UN General Assembly.

A decade from now is 2015. And 2015 is also a year for which the world also has set some serious goals for itself—the Millennium Development Goals. With so large a percentage of the global population that is presently disadvantaged, if Asia does not meet these goals, if the economic potential of Asia, and India within it, are not harnessed to the task, global goals will not be met.

All this adds up. For India, the next decade will be a great mosaic of opportunity and challenge. It will also be a time to forge stronger partnerships in our quest to play a leading role in harnessing the enormous power of this globalising inter-dependent world to build a fairer rule based system that is just and sustainable. We must have globalisation with a human face.

Indian and the UK have a unique relationship. This has now to be yoked to the opportunities of tomorrow. Compatibility between us is already leading to a substantial inflow of Indian companies, capital, students and visitors into the UK. We are natural partners, particularly in the field of knowledge and services, apart from the growing strength in manufacturing in India.

The community of Indian origin in the UK has been a model of achievement, professionalism and positive integration. Its contribution to national prosperity dedication to excellence is recognised and applauded here. I hope that in the coming decade it will play an even more creative role in building mutually beneficial partnerships between the country where it has ancient roots and where it has struck new ones.

India and the UK¹ have shared beliefs in the values by which we

1. Besides delivering the keynote address, the External Affairs Minister on June 27 held extensive discussions with the British Foreign Secretary Jack Straw. He later told a press conference

govern ourselves and in the necessity for significant global action in the eradication of poverty and in addressing the comprehensive multilateral agenda before us. We can be a model of innovative bilateral partnership in the fields of academic, technological, cultural and economic exchanges. The coming decade must see this promise realised through the partnership of our peoples. I am confident that this conference will move us in the right direction towards this end.

Ladies and gentlemen, the next decade will certainly be worth looking forward to. But India is not stopping with a decade. A century, or longer, is good too.



018. Remarks by Minister of State Rao Inderjit Singh at the announcement of Vision Statement on Asia-Pacific Partnership on Clean Development and Climate.

Vientiane (Laos), July 28, 2005.

Colleagues, Ladies & Gentlemen,

It is a great pleasure for me to be present here with our partner countries for the formal announcement of our Vision Statement on a new Asia-Pacific Partnership on Clean Development and Climate.

that during his meeting with Straw, he had strongly urged him to revise the advisory to the British citizens against visiting the State of Jammu and Kashmir. Mr. Singh said that his British counterpart had "promised" to take a sympathetic look at the matter. He pointed out that there were 7, 000 tourists in Kashmir and major attractions such as Srinagar, Gulmarg and Pehalgam were quite safe. The issue came up during the talks between the two leaders ahead of the Prime Minister Manmohan Singh's visit to the UK in July to attend the summit of G-8 nations in Scotland, to which India was also invited. EAM expressed satisfaction with the talks saying that it was always useful to have such meetings. "You can discuss bilateral issues and sort out little hitches." The question of advisory on Kashmir came up when a journalist asked the Minister to elaborate what the "hitches" were. At the joint press conference the two Ministers said they discussed a range of bilateral and international issues, including the India – Pakistan peace process, British Prime Minister Tony Blair's visit to India in September and the expansion of the United Nations Security Council. Mr. Straw reiterated his Government's support for India to become a "full member" of the S.C. On Kashmir Mr. Singh told a Pakistani journalist that India never "shied" away from discussing the issue. "Prime Minister has said that short of redrawing the map... we are open to discussing everything."

The Vision Statement refers to the Delhi Declaration, which made a significant departure from previous such declarations by emphasizing the importance of sustainable development and the need for looking at development while considering any climate change approach.

I would also like to recall here that at the World Summit on Sustainable Development in Johannesburg, we all agreed to the need for access to affordable and reliable energy for all. Despite progress at many levels, even today 43% of our households still do not have access to electricity. With its growing economy, India's energy needs are going to increase in the future. We are, however, also conscious of the need to develop in a balanced manner and have, therefore, taken a number of steps at the national level to achieve energy efficiency.

You are aware that recently at the Gleneagles Summit, India has proposed a new paradigm for international cooperation to deal with climate change, which essentially calls for a way to deal with intellectual property rights regime (IPRs), which comes in the way of transfer of clean technologies from developed countries to developing countries, additional financial resources to facilitate the transfer of technology and collaborative research between developed and developing countries. These new ideas presented by India have been welcomed at Gleneagles.

We welcome the opportunity to participate in this partnership, which is expected to develop and transfer cleaner, more efficient technologies to meet not only our individual national pollution reduction targets but also our energy security needs.

I am particularly pleased that new technologies such as nano-technologies, advanced bio-technology, next generation nuclear fission and fusion technology have been included for collaboration between the partners.

I hope that this action-oriented partnership will be able to produce quick results on the ground to help countries like ours to grow in a sustainable manner.

I wish this partnership, all the best.



019. Vision statement of Australia, China, India, the Republic of Korea and the United States of America for a New Asia-Pacific Partnership on Clean Development and Climate.

Vientiane, July 28, 2005.

Development and poverty eradication are urgent and overriding goals internationally. The World Summit on Sustainable Development made clear the need for increased access to affordable, reliable and cleaner energy and the international community agreed in the Delhi Declaration on Climate Change and Sustainable Development on the importance of the development agenda in considering any climate change approach.

We each have different natural resource endowments and sustainable development and energy strategies, but we are already working together and will continue to work to achieve common goals. By building on the foundation of existing bilateral and multilateral initiatives, we will enhance cooperation to meet both our increased energy needs and associated challenges, including those related to air pollution, energy security, and greenhouse gas intensities.

To this end, we will work together, in accordance with our respective national circumstances, to create a new partnership to develop, deploy and transfer cleaner, more efficient technologies and to meet national pollution reduction, energy security and climate change concerns, consistent with the principles of the U.N. Framework Convention on Climate Change (UNFCCC).

The partnership will collaborate to promote and create an enabling environment for the development, diffusion, deployment and transfer of existing and emerging cost-effective, cleaner technologies and practices, through concrete and substantial cooperation so as to achieve practical results. Areas for collaboration may include, but not be limited to: energy efficiency, clean coal, integrated gasification combined cycle, liquefied natural gas, carbon capture and storage, combined heat and power, methane capture and use, civilian nuclear power, geothermal, rural/village energy systems, advanced transportation, building and home construction and operation, bioenergy, agriculture and forestry, hydropower, wind power, solar power, and other renewables.

The partnership will also cooperate on the development, diffusion, deployment and transfer of longer-term transformational energy technologies that will promote economic growth while enabling significant reductions in greenhouse gas intensities. Areas for mid-to-long-term collaboration may include, but not be limited to: hydrogen, nanotechnologies, advanced biotechnologies, next-generation nuclear fission, and fusion energy.

The partnership will share experiences in developing and implementing our national sustainable development and energy strategies, and explore opportunities to reduce the greenhouse gas intensities of our economies.

We will develop a non-binding compact in which the elements of this shared vision, as well as the ways and means to implement it, will be further defined. In particular, we will consider establishing a framework for the partnership, including institutional and financial arrangements and ways to include other interested and like-minded countries.

The partnership will also help the partners build human and institutional capacity to strengthen cooperative efforts, and will seek opportunities to engage the private sector. We will review the partnership on a regular basis to ensure its effectiveness.

The partnership will be consistent with and contribute to our efforts under the UNFCCC and will complement, but not replace, the Kyoto Protocol.



020. Extract from the Independence Day Address of Prime Minister Dr. Manmohan Singh to the Nation.

Delhi, August 15, 2005.

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As a result of our policy in Jammu & Kashmir, the State is once again on the path of peace and progress. It is our humanitarian obligation that we assist the State in all possible ways so that the people there can live in peace and harmony. Terrorists have never been the friends of the people of Kashmir. As long as they continue their terrorist attacks, our Armed Forces will be alert and give them a fitting response. In this conflict, common citizens may also be affected at times. I have said before and I am repeating once again, that there is no issue that cannot be resolved through a process of discussion and dialogue. Our doors are always open and will continue to be open for anyone interested in dialogue. I invite everyone to join us to discuss the problems of the state of Jammu & Kashmir so that its people can lead a life of peace and dignity. If violence continues, then our response too will be hard. I am aware that the Government of Pakistan has put some checks on the activities of terrorists from its soil. However, it is not possible to achieve success through half-hearted efforts. It is necessary that the entire infrastructure of terrorism is totally dismantled.

In the context of terrorism and extremism, development and security have an intrinsic relationship. We have managed to face extremism successfully through a democratic process. However, it is imperative that a democratic government should be able to differentiate between the genuine problems of people and the designs of terrorists. Today, there are a number of challenges in our security environment such as terrorism, communal violence, atrocities on women and exploitation of dalits and adivasis. Our security forces have been facing the daunting task of controlling extremist violence admirably. Extremism is a challenge, which requires a united response from all of us. However, it is also necessary to look at a political resolution of this problem. Often extremism has its roots in backwardness and lack of economic development. It is not easy to handle problem of extremism in violation. However, by addressing it in all its dimensions — social, political, economic and security — in an integrated manner, I am confident that we will be successful in checking it.

India has always been a country, which loves peace. Its destiny is intrinsically linked to those of its neighbours. Our goal has always been the prosperity and happiness of our citizens. Hence, we have always sought the friendship of our neighbours, although at times, this has not been fully successful. There seems to be some success in our search for peace and harmony now. Many problems of South Asia are similar, of which poverty and illiteracy are the most widespread. It is possible for us to eliminate these in the region by working together.

The composite dialogue process with Pakistan is continuing. As a result, we have been able to reopen the Srinagar-Muzaffarabad highway, which was a long pending demand of the people and restarted the bus service on this route, a step which has been widely welcomed. Talks are going on to open similar links from points in other states.

Discussions are also going on a gas pipeline from Iran to India via Pakistan. Once this is completed, we will be able to address a major constraint affecting our economy.

It is our sincere hope that we work with all our neighbours in South Asia to effectively address the challenges of poverty, unemployment and disease. If India and Pakistan are able to work together, than we will have many opportunities for making our countries prosperous. I am confident that we will be able to fulfill this vision.

We have had historic links and relations with Afghanistan. It is our desire to see Afghanistan prosperous and strong. In a few days, I will be going to Afghanistan. We will try to strengthen and support democracy and economic growth in all possible ways.

Our largest neighbour is China with whom we have a centuries old relationship, a relationship from which both of us have learnt a lot and imbibed a lot. We are today willing and ready to deepen our trade and cultural relations with China for the benefit of the two nations. The agreement arrived at between our two countries in April has paved the way for a closer relationship.

I greet the people of Sri Lanka, Mauritius, Nepal, Bangladesh, Bhutan, Maldives and Myanmar and assure them with utmost sincerity that India is willing to work together with them for promoting development, prosperity and peace in the region.

My visit to the United States has been a major step in promoting friendship with that country. By deepening our economic and technological relations, we will be accelerating our own growth. Simultaneously, our two democracies can work together to strengthen democracy in the world. Russia is an old friend who has helped us in difficult times. We will deepen our friendly relations with Russia.

We also wish to deepen our relations with the countries to the East. The recently concluded trade agreement with Singapore is a major step in improving our economic engagement with the region. We will be entering into many more such agreements in future.

At this point, I would like to emphasize that the contribution of Indians and persons of Indian origin settled abroad in ensuring that our efforts are successful is enormous. They have not only traveled to far off lands to achieve their dreams of prosperity for themselves and their children, but have also played a stellar role in changing the world's perception of India. The world today sees India as a major knowledge power whose people are skilled, competent, hard working and peace loving. Even within our own country, our scientists, doctors, engineers and scholars have contributed substantially in the achievements of our nation. We are proud of all of them.

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021. Address by External Affairs Minister K. Natwar Singh at the Brown University.

Rhode Island, September 23, 2005.

I am delighted to be with all of you this afternoon and consider it a privilege to be invited to deliver the inaugural India Lecture at Brown University. I am especially grateful to the Watson Institute for International Studies for taking this initiative. I know that you have a large South Asian alumni but that is not the only reason to select the theme that I have for the lecture. India has a larger message for the world, one that acquires even greater relevance as we demonstrate an ability to meet major challenges of our times. I hope my argument is, therefore, viewed as more than a national case made by a Foreign Minister.

2. Certainly, I would like to believe that three decades as a diplomat have enabled me to bring some objectivity to the subject. Two subsequent decades in political life led to a deeper understanding of the daily struggles of people who articulate through their routine an outlook to life. As I seek to balance the two and reflect on the intricacies of our social structure, I can only imagine how bewildering we - in John Kenneth Galbraith's famous phrase 'a functioning anarchy' - must be to others. It is said that when President Ulysses Grant went on a world tour and finally reached Japan, his meeting with the Meiji Emperor - which must have been a cultural experience in itself - saw them both express their perplexity about India. One can almost imagine them agreeing on the notion that everything that is said about India is true, and so too is its opposite!

3. This India, so fascinating and yet so incomprehensible to many, is today emerging from the recesses of history and assuming a prominent place in the global arena. It seeks to be understood better but its unique nature makes that very process a challenging endeavour. India's rise, for example, has not been an exercise in assertion on past traditional patterns in world history. Instead, it has been incremental to the point of being imperceptible, and natural enough to be harmonious. Demographic trends and historical traditions have come together to make India, along with the United States, China, Europe, Japan and Russia, among the key players of this century. This was obviously not preordained but a consequence of policy choices, governance quality and societal mores. The scale and

complexity of our achievements merit serious evaluation. After all, it is not every country that, even while addressing primary issues like health, shelter and literacy, is simultaneously able to compete at a global level in technology, business and culture. What makes this phenomenon further worth studying is the framework in which these processes of change are unfolding. The message and the medium are both equally instructive to others facing similar problems. Our emergence has a particular implication for the United States, another large multi-cultural democracy.

4. When India became independent 58 years ago, we made decisions that, even in retrospect, can only be described as incredibly brave. Consider that we were emerging from two centuries of colonial rule and poverty, illiteracy and obscurantism were still rife. Yet, as early as 1931, Mahatma Gandhi and the Indian leadership chose to opt for a democratic form of Government with universal adult franchise as its basis. It was this bold step that actually took democracy beyond its Euro-Atlantic confines and gave it a universal character. Till then, India was considered more an embodiment of a civilization than a definition of a conventional nation state. It took a democratic construct to bring together its very many languages, ethnicities and customs and provide it a firm binding force. Serving as a common denominator for unity to come out of this enormous diversity, democracy enabled our people to become participants in national rebuilding and underlined their interest in its success. Our leaders at the time of independence could have easily opted to be a one-party state. Many other post-colonial societies did and the Congress party certainly dominated the political scene. It is a tribute to their wisdom that they saw our future in political pluralism. Elections over the years at various levels have strengthened people's self-perception as stakeholders in the system. Democracy also facilitated the rapid dissolution of kingdoms and princely states that dotted the Indian map when the British finally left and thereby, laid the foundation for a modern state.

Americans, perhaps more than other people, can identify with an exercise of constructing a society on principles of freedom, human rights and rule of law. Although two centuries apart, there are striking similarities between the debates in our two countries during the process of constitution making. The difference was that India's circumstances were infinitely more challenging. The success of Indian democracy transcends cultural and geographical limitations earlier ascribed to the political values on which they are based.

5. The building of a democratic India has not been an easy exercise. There is no historical precedent for a billion people determining their collective destiny through a mechanism of consent. There is no blueprint or textbook that sets out a road map. We have improvised along our way, trusting to the innate wisdom of our people. It is one of the great wonders of our time that a largely illiterate society – only 14% were educated in 1947- could address their problems with such maturity and moderation. Some credit must go as well to the manner in which traditional ways, particularly village-level self-government, have been adapted to address contemporary challenges. Our approach also took into account that centralised prescriptions are not always the most effective for problem solving. Establishing democratic structures and making them durable was highly dependent on effectively utilising local and regional knowledge that is ingrained in every society. In India's case, by tapping into traditions of pluralism and networks at various levels, democracy emerged as a credible political way for post-colonial India rather than a mere imitation of colonial forms. Structures at local, regional and federal levels ensure that identities are maintained and reconciled at the same time. There are nations that apprehend the consequences of autonomy for their integrity and see in federalism a stepping stone for secessionism. Our experience, and yours for that matter, sends a contrary message. Multiple power structures, coexisting and reinforcing each other, is one more indication of respect for choice.

6. Elections in India currently encompass an electorate of almost 700 million. It is a political statistic not easy to digest. Equally worth noting is that these votes have often resulted in changes of Government at both the federal and state level. It is the peaceful transfer of power that is the true test of democracy. Not all societies claiming to be one have passed it. India has with flying colours! The Indian experiment has broken new ground in many ways. Over the last half-century, dissidents - regional, ethnic, religious or socio-economic- have found an accommodating political culture that has aided their return to the mainstream. We have even had occasions when those who took up arms against the Indian State finally joined democratic politics and assumed leadership responsibilities. One testimony to our strength is the example – the first in history – of a Communist Party coming to power through electoral means. In the Indian ethos, no one is outside the pale and we have stretched the definition of an inclusive society to its limits and beyond. Ours is an exercise in continuous management of

contradictions. So that we do not take it for granted, perhaps it is useful to reflect just for a moment what could have happened had this experiment not succeeded.

7. The roots that liberal democracy struck in India find some explanation in our tradition of social and religious pluralism. Unlike the West, where the separation of Church and State was a pre-requisite for secularism, its Indian manifestation appears to draw strength from an ethos of multiplicity and choice. The Indian intellectual tradition is an intensely individualistic one, as indeed are many schools of religious and philosophical thought. Secularism in Western intellectual tradition has a clearly non-religious connotation while the Indian understanding, in contrast, translates into equal respect for all religions. Transposed to the political level, it really captures the essence of democracy. It is no accident that the advocates of democracy in India like Mahatma Gandhi and Pandit Nehru were also equally strong proponents of religious equality. Indeed, their vision gained popular acceptance and legitimacy precisely because it specifically addressed the needs thrown up by a complex social structure. They were careful not to fabricate an artificial majority culture in order to create a national identity. They were acutely conscious that in this vast land, everyone is a minority and the difference is only one of degree.

The internal balance of a society composed of minorities is distinctly different from one where a dominant majority sets its terms vis-à-vis its minorities. In such a paradigm, tolerance as an attitude is not enough because it appears too grudging and meagre. A stronger embrace of diversity has to be the working principle and its wholehearted acceptance a virtual necessity. We have, admittedly, forces within our society that seek to create a majoritarian culture by reshaping identities and self-perceptions. The reduction of the complexity of India into primitive religious definitions cannot succeed because it runs up against a contrary ground reality. The truth is that our people, secure in their identities, are ready to accept differences and can be non-conformist in their own ways. Diversity has accentuated rather than diminished our nationhood.

8. Democracy and secularism have not only been values that have sustained the development of modern India. They have also provided effective defences against terrorism unleashed by ideologies of intolerance and fundamentalism. India's battle in that regard predates 9/11 and no

country has paid a higher price to safeguard its core democratic beliefs. Our ability to rise to this challenge has depended on the denial of ground fertile for the spread of such extremist thinking. This was made possible! because all sections of India believed that their grievances can be addressed through the democratic process. Admittedly, we have had difficult experiences where narrower identities have disrupted the social fabric. But in the long run, all communities understand that the Indian state does not discriminate. It is a testimony to the working of our systems that an organization like Al-Qaeda has, to date, not been able to recruit adherents in India. Global efforts at combating terrorism could look at the Indian example and examine whether our political culture has lessons that could be usefully applied elsewhere.

9. Pluralism and individualism are two sides of the same coin and they reflect themselves as much in economic activity as they do in the political. They are responsible for a long tradition of entrepreneurship and artisanship on which we have developed a modern economy that is now making itself felt in the global marketplace. The individualism of India is based on a history of intellectual questioning and challenges to the established system. The description of a million mutinies, even if one were to add zeros to its numbers and subtract from its intensity, speaks of a people in constant ferment. In more rigid societies, this could have had negative repercussions and probably harsh consequences. But India has been able to successfully harness these internal energies and use them as a force of progress. What should be particularly noted is that all the social and educational investments that we have made over the last six decades – from the Institutes of Technology to agricultural institutions – are paying off handsomely today. It is a peculiarity of India that education should emerge as such an effective means of social mobility.

By empowering the underclass, education has spread awareness and served as a leveller. Yet, in combination with other skills, it can provide the impetus for growth and wealth. It has fostered a culture of creativity and innovation that has found expression in our IT industry and other aspects of knowledge-based economy. At the same time, India's corporate sector is also busy establishing a reputation for high quality of standardised management and competitive business practices. Perhaps it takes something as contradictory as India to reconcile the anarchy of its creative endeavours with the discipline of its commitment to rule bound systems.

10. Amartya Sen in his book *The Argumentative Indian* has pointed out that the combination of internal pluralism and external receptivity has determined the Indian identity. Even though they are inextricably linked, the latter tends to be overshadowed by the former. Historically, India has been at the centre of migration of peoples and services. We have long been an importer and exporter of ideas as much as goods. India has always been a sanctuary for those who came out on the wrong side of politics and religion, and remains so to this day. We are a nation of bleeding hearts who wear them on our sleeves. Prof. Sen notes that India has been an integral part of the world in the most interactive sense and that ideological separatism militates against India's own heritage. While they are not without their problems, global processes have enriched India and the world over millennia. This could well explain why Indians have taken positively to the opening of their economy and its gradual integration with the global one. Reforms over the last fifteen years have unleashed a new promise of growth and brought India into global consciousness. The path of accelerated growth has raised a host of issues whose successful resolution can inspire others. To begin with, there are multiple challenges of raising large sections of our population out of poverty while addressing the simultaneous demands of a growing middle class for a better quality of life. One need not necessarily be pursued at the expense of the other and the two may well be linked. Connectivity, quite literally, can be part of the answer. We have gone through what in India has been known as the transistor revolution, followed by the television one and now by the cellular phone. Their cumulative impact in raising awareness and promoting social change is quite astonishing.

We have seen their role in rising aspirations that constantly raise the benchmarks for our performance. Modernisation of infrastructure and growing energy needs are two significant constraints on our growth currently. They are the equivalent of hardware and software if we are to continue on this path. It is our hope that having placed our faith in an open economy, the world would respond reciprocally, believing that there is much riding on our success.

11. The expansion of the Indian economy and its closer linkages with the global one also has profound regional repercussions. Within South Asia itself, India with a 7-8% growth rate is clearly the motor of development and many of its neighbours can reap benefits by taking advantage of expanding opportunities. Obviously, this is a choice that they themselves have to make

and some have done so. Sri Lanka, which has the strongest economic linkages with India, has been posting impressive growth statistics despite its domestic difficulties. Similarly, Bhutan has emerged as a major energy provider and the resulting revenues have sharply boosted its per capita income. Nepal derives significant income from its large migrant population in India. Others have the same options if they wish to exercise it, whether in trade, energy or even in infrastructure. Public sentiment in the region as a whole appears to strongly favour the economic logic, as all of us see an improvement in living standards as the main priority.

As a result, the basis for constructive dialogue within the region is widening and new options to long-standing problems emerging in a way that could not have been anticipated earlier. In such a situation, national borders may not retain the salience that they currently have in the region. Our future clearly lies in building a vibrant and dynamic economic community. Beyond South Asia, the reforming Indian economy is steadily reaching out to the ASEAN on the east and to the Gulf on the west, restoring historical linkages snapped during the colonial era. The achievements of an open economy when set against the temper of an open society, foster pride without jingoism. Perhaps, this reflects the tradition of external receptivity mentioned earlier, but in itself, is a point worth noting.

12. An India benefiting from global processes will naturally be encouraged to contribute more to the international community. We have a record of doing our best even in the past when our means were far more limited. Today, India can bear much greater responsibilities. We have historically been major contributors to UN peacekeeping operations and will continue to remain so. During the tsunami last year, we were active as well in extending relief efforts to our neighbouring countries even while coping with our own problems back home. India is also emerging as an aid provider to countries in greater need and we seek to make our human resources training capacity available to others where possible. We are now in the forefront of fashioning responses to trans-national challenges as well in areas like health, terrorism and WMD proliferation. Only recently, we have partnered the US in important initiatives in these areas and have taken the lead in launching the UN Democracy Fund. Through these activities, India has demonstrated its character as a responsible state. A telling recognition of our record came in July this year when the United States agreed to resume nuclear energy cooperation taking into account our

exemplary non-proliferation record. In putting forward our candidature for permanent membership of the UN Security Council, we are confident that the world will take into account our international contribution as well as our strong democratic credentials.

13. It is apparent that over the next decade, the major countries influencing the direction of global development would include the United States, the EU, Russia, Japan, China, and India. No country, however powerful, can shoulder global burdens in their entirety. India's objective is to establish the best of ties with these five key nations and we have succeeded to considerable measure. The United States has been an important focus of our efforts at reshaping the diplomatic landscape. Landmark agreements reached in July have the potential to fundamentally redefine our ties. Understandings in the field of energy, technology access, investment and trade, agriculture and health are testimony to a rapidly broadening agenda of cooperation. Our relationship has begun to translate into a larger global partnership. The EU, like the US, is an important source of trade, technology, and investment. The ambit of our cooperation is steadily expanding and we have strengthened our political understanding. Russia is a traditional friend and remains a major partner in security, defence, and technology. We share a strong interest in combating fundamentalist terrorism. Our ties with Japan are growing in substance and are particularly relevant to addressing infrastructural challenges. We are committed to ensuring the security of sea lanes as well. China, our largest neighbour, is a nation with whom we have had a history that has not been easy. Both countries have taken a forward-looking approach and our trade, in particular, has expanded dramatically. With each of these partners, our relationship will grow depending on how they contribute to peace and stability in South Asia, respond to India's core concerns, and meet our larger aspirations.

14. An inter-dependent world requires a more consensual decision-making process. We can arrive at cooperative management only if there is an agreement on fundamentals. Learning from each other and exchanging best practices can be rewarding for all of us. India's record and experience allows it to make a significant contribution to this debate. We represent the importance of choice. Our pursuit of development has not been at the cost of human freedoms. India exists because of its moderation and preference for the middle path. We are a society at different levels simultaneously, and probably confusing to those comfortable in less dimensions. We have our

warts but equally, a capability for internal correctives. Understanding India requires patience, but those who do value our durability and sustainability. India is a constant exercise in introspection that does not always lead to definitive conclusions. For all these reasons and more, our joining the front ranks of global powers will be a harmonious process, greeted not by apprehension but more by warmth and perhaps some curiosity. The argument for India is that argumentative people, difficult as they are, embody virtues and habits make the world a better and safer place.

15. In his *Discovery of India*, written from a prison in 1945, Jawaharlal Nehru spoke of India in these terms: "We are citizens of no mean country and we are proud of the land of our birth, of our people, our culture and traditions. That pride should not be for a romanticized past to which we want to cling: nor should it encourage exclusiveness or want of appreciation of other ways than ours. It must never allow us to forget our many weaknesses and failings or blunt our longing to be rid of them..... It was India's way in the past to welcome and absorb ot! her cultures. That is much more necessary today, for we march to the one world of tomorrow where national cultures will be intermingled with the international culture of the human race. We shall, therefore, seek wisdom and knowledge and friendship and comradeship Thus, we shall remain true Indians and Asiatics, and become at the same time, good internationalists and world citizens". That message is as true today as it was 60 years ago. And these aspirations are in many ways our strongest argument.



022. Address of the External Affairs Minister K. Natwar Singh at the Canadian Institute of International Affairs, McGill University on “Why India Matters”.

Montreal, September 27, 2005.

Mme. Heather Monroe-Blum, President of McGill University, Mr. Toby Gilsig, President of the Canadian Institute for International Affairs, Ladies and Gentlemen,

I am happy to have this opportunity of addressing such a distinguished gathering of scholars and experts in international affairs, drawn from two such prestigious institutions - the Research Group in International Security of McGill University, and the Canadian Institute of International Affairs. It is also a special pleasure to be able to do this in this most elegant of Canadian cities that lives up to its name.

Why India Matters is not in the interrogative; it is a statement of fact that needs elaboration and elucidation. India does matter. India has always mattered. From the very dawn of history, whether it is for matters of mind or something more material, the world has recognized that. The spiritual came seeking the wisdom that lay beyond their ken; others did in search of either glory through conquest, or wealth through commerce, or both. Alexander the Great, as you are all aware, was obsessed with reaching the river Ganges. The Romans followed the Greeks, but with trade as their modus operandi. Pliny the Younger started a debate on our trade balance by complaining vociferously that the gold chests of Rome were being emptied so that Roman ladies could bedeck themselves in the finest Indian muslins.

For more than a thousand years, India was at the heart of an intricate trading system in the Indian Ocean - an ‘empire of the monsoons’ that stretched from Java to Madagascar. The ‘fall’ of Constantinople acquired significance precisely because it cut off trade routes to India. Conversely, the great European sea voyages and discoveries became important because they restored them. Persians, Uzbeks and Tajiks were followed by the Arabs and Afghans, and finally came the European seafarers. Columbus sought India and died in the belief that he had found it. Vasco da Gama got his bearings a little more accurately and the European inflow culminated in the British Raj. India matters because historically, it has been a confluence of

peoples and civilizations. In a globalized world, this has a particular significance.

Paul Kennedy, the Yale historian, estimates that in 1750, 24.5% of global industrial production was in India. The allure of India was almost mythical - a land of fabled riches, of silk and muslin and ivory and spices. Many who came to India did indeed become fabulously rich, but so was the country itself. But as Europe emerged, it did so at the cost of other continents over which it established dominance. By 1900, India's share of the global economy had fallen to 1.7%. India had entirely missed the first industrial revolution, and during the fifty years before India became independent in 1947, its annual growth rate a bare 0.7%. Literacy was as low as 14%, as against more than 50% in Japanese- ruled South Korea.

Whether in statistical terms or as regards human resources, the jewel in the British Crown was indeed in parlous straits when the independence struggle led by Mahatma Gandhi made Britannia finally fold up her flag and depart. But even in its distress, India was not without its message. There are few precedents in human history for a peaceful mass movement in support of a political cause being pursued patiently for half a century or more. It was not just the character of our independence movement that set us apart. It was equally its resulting political dispensation. Given the dominance of the Congress party in the movement for independence, India could easily have been a one party state. Many post-colonial nations were. It could also have been non-democratic or a partial one with a limited electorate. By opting for universal adult franchise and fostering political pluralism, Nehru's India set a powerful example. India matters because its choices half a century ago have made democracy a global norm today.

India matters today as well, perhaps more than ever before. It is an example of hope in our fractured, strife-torn and often fratricidal world. It is a country that has belied the predictions of the prophets of doom who confidently announced, in the 1950s and 60s, the assured break up of India. India matters because never before in history has a billion people constituting 1/6th of humanity been shaped into a single political entity, and that too a steady thriving vibrant secular democracy. To have risen above the literally bloody aftermath of Partition in 1947, and built a strong multi-ethnic, multi-religious, multi-lingual, secular nation state was no mean feat. To have maintained and strengthened this nation state in the face of conflicts imposed

on us, the enormous natural calamities and the drastic economic and social changes that have affected independent India over the last 58 years was a task in itself. Then, over the past nearly two decades, India stood up to relentless terrorism, stoked and supplied from across our borders, which has claimed more than 80,000 civilian lives, an achievement of which we can be pardonably proud. The West woke up to terrorism only after 9/11 even though this very country knows well the Kanishka aircraft bombing of June 1985.

The recognition that India has gained on the international plane is only a reflection of the empowerment of India at home. Till recently, overcoming our deficiencies was seen as an achievement enough. Our progress was perceived in an ability to feed ourselves and meet the challenge of providing basic necessities to our people. Considering where we were in 1947, its implications cannot be minimized. But then came a major paradigm shift. The land of snake charmers, sacred cows and maharajas, became known for software BPOs and competitive skills. This did not happen by itself. Building an enabling environment, making the right policy choices, and maintaining a national spirit over a number of decades made it possible. Today, so much of this is taken for granted that it is worth my while to remind you all that when Jawaharlal Nehru endeavoured to industrialise India, he was scoffed at by many. The very Indian Institutes of Technology that are today so well-regarded were considered a luxury. When Indira Gandhi built on this legacy and establishing scientific institutions - including space centres that today provide communications, distance learning and remote sensing - she too did not lack doubters. Rajiv Gandhi met a wall of skepticism when he advocated computerization. Their combined leadership has allowed us to emerge as a knowledge economy and as a competitive society. India matters because it is a testimony to what good governance, sound policies and self-confidence can achieve.

India matters because, far from becoming the basket case that many feared and some hoped she would become, she is today the fourth largest economy in the world in terms of purchasing power parity. The most prestigious financial and business analysts in the world forecast even better times ahead. India will emerge as the third largest economy in the world by 2035, a knowledge hub with 100% literacy and a stabilized population of around 1.5 billion.. The recent performance of the Indian economy justifies such predictions. In the one and a half decades since we began serious

economic reforms, our GDP growth rate has averaged 6 to 7%, going up to 8.5% last year. Even more important, the benefits of the growth and economic reforms have gone well beyond the roughly 300 million middle class that is growing at 15 million - the size of Australia - every year. One of India's unsung triumphs, as the World Bank puts it, has been the dramatic progress made in poverty reduction, from 35% in 1993 to 20% today. Rural purchasing power is increasing faster than that in the urban areas, and rural India is changing rapidly - politically, socially, economically and even technologically - as sections of the population earlier left out of the growth stream come on board. In a world that is often graying fast, India enjoys a great demographic advantage of 54% of the population being under 25. India matters because it is the future.

The world today admires how India has nurtured the spirit of freedom and ensured that it permeates all our democratic institutions. It seeks to learn from how India has managed to transform possible fault lines - of religion, language or ethnicity - into bonds that unite and hold us together. India's ancient, resilient civilization has always been not just tolerant of diversity, but has accepted and embraced it. We celebrate diversity and pluralism. There are not many countries where a Muslim Head of State, a Sikh Head of Government, a Christian leader of the largest political party or a minority representative heading the armed forces would be so taken for granted as to barely cause comment. And this in a country with a 84% Hindu population! It is no accident that even with having the second largest Muslim population in the world, not a single Indian Muslim has been found in the Al-Qaeda to date. That it is because we have a genuinely pluralistic culture, one where all faiths are equally respected. This has created a world of fusion and integration with recognition that we are each inheritors of multiple traditions. I myself consider my Hindu origin, my Muslim heritage and my European exposure to be parts that make up my whole. As an individual, I would be an incomplete person if you remove any one of them, and so too would my nation. India matters a great deal, even if it was only for this reason.

The Indian economy has in recent times weathered the East Asian and South East Asian meltdowns, 9/11 and the SARS scare, regional tensions and terrorist attacks, all without triggering a share market collapse, capital flight or runaway inflation. This is a mark of the national and international confidence in the Indian economy, undoubtedly due to the

continuity of the economic reform process despite changes in government. The scale of these reforms has been extraordinary, not just for their impact on society but in the manner in which they have been brought about. To introduce change without disrupting the social fabric is a challenging task at best of times. To do that when a significant segment of the society is still poised to emerge from its economic margins is even more difficult. If this has been managed without social upheavals - and that it has as our record demonstrates - there is much to be said in favour of our system of governance.

The advantages of democracy as a buffer against social tensions created due to rapid growth and the inevitably uneven regional spread of this progress must be noted. It is true that the public consensus building that a democratic system strives for may appear to slow down the reform process, but it undoubtedly makes it more durable, indeed irreversible.

Amartya Sen in his latest book 'The Argumentative Indian' questions whether the British influence alone is responsible for democracy striking such strong roots in India. Instead, he attributes it to a long tradition of public arguments and toleration of intellectual heterodoxy. I share his conviction that India has drawn upon its own heritage of public reasoning to this end. Growth and prosperity in India are products of a process that is not vitiated by loss of human freedoms. On the contrary, they are the results of a healthy continual debate within broad sections of society about the direction of their future. As a politician, I have learnt how strong a commitment the most illiterate and unexposed villager in some corner of India has towards values that in this part of the world are associated with the likes of Locke and Mill.

India matters because we are proof that democracy and development are not choices we make but processes that supplement each other.

In short, today, it is no longer possible to ignore India's voice; without her, no calculus of the 21st century would be either complete or viable.

Of course there is much to do, many hurdles to cross, many problems to solve. India is in a confident mood, not one of self-congratulation. We recognize that there are many areas where the reforms need to be speeded up and expanded. However, what is by now evident is that India is a partner of choice for other countries in an increasing range of economic activities.

She has all the makings of a real knowledge power, producing graduates by the millions and highly qualified engineers and doctors by the hundreds of thousands. These human resources are critical for global competitiveness. There are estimates that India produces more than 3 million graduates and 350,000 engineers annually.

And our education system is still growing. We are rising up the value chain as well, not content to be cyber labourers but competing for large contracts. India offers total business solutions, holistic project management, and a unique global delivery model that cuts time and costs substantially. It is the place which one of your graduate students chooses for a summer internship over an offer from a Wall Street firm because India looks good on his or her resume. No venture capitalist or investment banker, in the West or elsewhere, will consider a major business proposal that does not have an India plan.

The knowledge facet of India is not a modern discovery. It has been an intellectual magnet that goes back to the famous Chinese traveler Faxian in the 5th century and the Iranian astronomer Alberuni in the 11th. What is now happening is that a modern educational system is now disciplining the innate ferment, creativity and logic of the mind and making it usable to a contemporary society. In its commercial form, it is responsible for the creation of what we call today as The India Advantage.

This is not limited to IT even though that is the most well-known. It extends from bio-tech and pharmaceuticals, to space technology, auto parts, chemicals, long distance engineering design, and material sciences.

Potential foreign partners today see India as a solutions hub, a remote service provider, a base for sophisticated R&D, and a technology innovator of literally limitless range. Through what Business Week proclaims as "one of the great mind melds of history", Indian brains are helping reshape global corporate competitiveness. India will do to services, what China did to manufacturing - set the benchmarks. And that will surely matter.

The internal pluralism of India has always been matched by its external receptivity. Over the ages, we have welcomed travelers, trade, ideas, faiths and refugees - all with open arms. The eclecticism that they have spawned has been our defining characteristic. We have always valued our interactions with the world and were clearly the poorer without them. It

was natural for such a society on regaining its independence to immediately restore the connectivity snapped by colonial rule.

This gave a broad and open outlook to our foreign policy as well. The narrow pursuit of national interest was never our only goal. India envisaged in the achievement of its own independence an inspiration and source of strength for others. This explained our vigorous advocacy of non-alignment, our strong support for decolonization and our unwavering commitment to the United Nations as a forum that represents global opinion. Even when our resources were few, there was a willingness to share with those in greater need.

Our record in both bilateral and multilateral relations bears that out. As our capabilities have grown, so too has our sense of responsibility. On key global issues - strengthening democratic capacities, combating terrorism, preventing WMD proliferation, responding to natural disasters, or addressing health challenges - India is in the forefront of international efforts. We have always been intuitive internationalists and as we integrate into global society, this trait will be strengthened even further. India matters because its outlook is not wholly rooted in the past; it matters because its identity is not defined vis a vis that of others and because its nationalism reflects the idealism advocated and practiced by Mahatma Gandhi and Jawaharlal Nehru.

We are today committed to energetic political, economic and security exchanges with the major countries and regions in the world. With the United States, we now have a strategic partnership that covers a broad agenda. As our largest trade, investment and technology partner, our interactions can help shape India's rapid growth. Recent initiatives in energy, high-technology and agriculture have imparted a new momentum to the relationship. With Russia, we have broad ranging cooperation that underlines our continuing convergence on key political and security issues.

Ties with China, our largest neighbour, have shown great improvement. As we continue a dialogue on border differences, political, economic, commercial and cultural exchanges have expanded. The new dynamism in India-China relations will have a substantial and growing economic and geopolitical impact across Asia. With the EU, our partnership is only the sixth such that the EU has established - a recognition of India's political and economic significance today. Our engagement covers all aspects of a very productive and mutually beneficial relationship. At the

other end of the world, our economic, political and security interface with Japan too is expanding. What is worth noting here is that India has successfully established the best of ties with all the major power and that will surely make us matter even more.

In Asia, India is a source of stability. It has been strengthening its ties with its extended neighbourhood through greater economic, commercial and security engagement. We have both civilisational and strong political links with the Arab world and, while supporting the just aspirations of the Palestinian people also have a friendly and flourishing relationship with Israel. Through our 'Look East' policy with ASEAN, and with Japan, China and South Korea, we seek to create a community powered by Asian dynamism. Our vision is of an Asian Economic Community which by exploiting existing synergies within an arc of advantage, become an anchor of prosperity for our region and beyond. The East Asian Summit to be held later this year will be a landmark in this process. The India-Russia-China Foreign Ministerial meetings, most recently held in Vladivostok, has created a new community of interest among the three major land powers of the world. The India-Brazil-South Africa initiative has also lent new substance to our relationship with Africa and Latin America, bringing three continents together in the pursuit of development. The real external impact of the changes in India has naturally been felt the most in its immediate vicinity. India has become a motor of regional economic growth, presenting many of our neighbours an opportunity to exploit new openings. Sri Lanka, which has the closest economic ties with India, has clearly leveraged this to improve its own prospects and despite its domestic problems, posted impressive rates of growth in recent years. Bhutan, by supplying energy to India, has significantly raised its per capita income and advanced in its quest for prosperity. Nepal receives considerable remittances from its substantial migrant population in India. The same options are open to our other neighbours and they are only inhibited by their own apprehensions and prejudices. The fact is that in the Indian Subcontinent, irrespective of their national sentiments, all people share the aspirations of raising their living standards. The economic logic, to which India is so central, has already visibly percolated into the popular mindset. Even in Pakistan, which has been historically trade resistant, there are growing voices in favour of greater direct economic contact. This has larger repercussions as it facilitates a process of normalization in the region. We have a vision of an economic

community that even as it recognizes that national borders cannot be changed, can nevertheless minimize their negative impact on the lives of the people. India matters because its growth can today provide the basis for a larger regional harmony and prosperity.

The India that I have described deserves a voice in global decision making processes. Our record as a democracy, the growing size of economy, the size of our population, and the contributions that we have made to global causes make a powerful case for our candidature to the Permanent Membership of the UN Security Council. As a nuclear weapon state, we have been exceptionally responsible and are strongly committed to combating WMD proliferation and working towards the eventual elimination of all nuclear weapons. I have only recently attended the 60th anniversary session of the United Nations and shared the disappointment of many that reforms so necessary for the future of the United Nations have not taken place. However, I am confident that the voice the world's largest democracy cannot be left unheard for all times to come.

On this occasion, my remarks would not be complete without reference to our relations with Canada, a sister-democracy with which we share many values. We are both federal polities and multicultural societies who are firmly rooted in the Commonwealth ethos. Canada has been particularly welcoming of Indian immigrants and they constitute a special bond between our two nations. Many of the qualities and traits that I have ascribed to India earlier in my talk apply as well to Canada. Our international outlook also has a substantial degree of convergence, particularly in terms of our respective contributions to the United Nations. It is no secret that the growth of our relations has been impeded to some degree by differences on nuclear policy and by the activities of those of your citizens espousing violence against the Republic of India. I believe that it is incumbent on both nations that are keen to take their ties forward to engage in a dialogue of candor and an exercise of respect for each other's sensitivities.

I am glad to inform you that only yesterday, I have participated in one such endeavour with very satisfactory results. It is a positive sign that Canada today recognizes India's responsible non-proliferation record and has agreed to engage in a dialogue on nuclear safety. Similarly, I have conveyed a widely held view in India that 20 years after the event, it is time that the worst terrorist incident in civil aviation history - the bombing of an

Air India aircraft - is brought to closure. We expect Canada to do justice in this matter and handle a difficult issue with the transparency that it deserves. My objective is that we should revive the easy warmth and camaraderie of our relationship in the days of Lester Pearson and Jawaharlal Nehru.

Addressing the Constituent Assembly of India at the midnight hour on August 14-15, 1947, Jawaharlal Nehru declared that:

“At the stroke of the midnight hour, when the world sleeps, India will awake to life and freedom. A moment comes, which comes but rarely in history, when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance. It is fitting that at this solemn moment, we take a pledge of dedication to the service of India and her people and to the still larger cause of humanity. At the dawn of history, India started on her unending quest, and trackless centuries are filled with her striving, and the grandeur of her successes and her failures. Through good and ill-fortune alike, she has never lost sight of that quest or forgotten the ideals which gave her strength. The achievement we celebrate today is but a step, an opening of opportunity, to the greater triumphs and achievements that await us.”

India matters because she has found her voice, has impressive achievements to her credit, and is one with the world. Thank you.



023. Speech of Prime Minister Dr. Manmohan Singh at the Indira Gandhi Peace Prize Ceremony for Princess Maha Chakri Sirindhorn of Thailand.

New Delhi, November 19, 2005.

Today, we are gathered here to honour a great daughter of Asia, in the name of another great daughter of Asia.

We in India are well acquainted with Her Royal Highness the Princess. She is as highly respected personality in our country as she is in her own. We know her as a keen scholar of Sanskrit and as a devout Buddhist. But Her Royal Highness is all these and more. Her life and work prove that she is a great citizen of the world. Her work in the service of children, and in preservation of the culture of her people, consistently shows us how much we can achieve if we are only motivated to do so. She is both an admirable representative of the Thai people, and an outstanding symbol of a great resurgent nation.

It is in a very similar manner that India remembers Indiraji. She was not merely the Prime Minister of India during a very critical phase in our history; she was much more than that. She was the embodiment of the aspiration of the people of our country for a life of dignity and self-respect. She was a great statesman; a proud leader of the Indian people, indeed, she was an Asian and world leader who strode the world like a veritable colossus. Indiraji was zealously committed to global peace, universal disarmament, environmental protection and development among nations that had been freed from the colonial yoke. Those who met her were struck by her intense patriotism and at the same time by her internationalism. At the same time, she truly understood and loved art and culture, while being a keen student of history as well as of international relations. She was Indian to the core, but a modernist by instinct. Her commitment to the welfare of every citizen of our vast land — irrespective of creed, class, caste or community — was total.

For the past 18 years, recipients of the Indira Gandhi Prize for Peace, Disarmament and Development have represented various facets of Indiraji's personality. I believe it is fair to say that these dignitaries are persons Indiraji would have been proud to honour. In that spirit, I am confident that Indiraji

would have been as delighted as we all are at the fact that Her Royal Highness Princess Maha Chakri Sirindhorn is the recipient of the award instituted in her name for the year 2004.

Your Royal Highness, may I say that we are deeply honoured and gratified by your gracious presence here in our midst. For India, it is a particular pleasure to recognize your work, given the close bonds of history, geography and culture that bind our two ancient cultures and civilizations. In the modern age, India and Thailand are jointly seeking a future in which our shared past and our current commonalities fuel our search for a more cooperative tomorrow. I do believe that India and Thailand are destined to be on the same side of history, as neighbours, as friends, and as partners in the quest for progress. We look forward to working together to strengthening these bonds of friendship and amity.

Your Royal Highness, I therefore believe that we honour ourselves by honouring you. I am truly delighted to see you receive this award named after the greatest daughter of India in our recent history. We salute you today, and in doing so, we also salute the friendly Thai people, whom you have always represented so admirably and ably.



024. Introductory remarks of Prime Minister Dr. Manmohan Singh at the Jawaharlal Nehru Memorial Lecture.

New Delhi, November 21, 2005.

"It is a particular honour and privilege to have in our midst the former Prime Minister of Singapore, Mr. Lee Kuan Yew. I have always admired him as a visionary statesman, a towering Asian leader, and a remarkable citizen of the world. He has achieved that rare honour of becoming a legend in his own lifetime. I am therefore truly delighted, Your Excellency, to have the opportunity of hearing you deliver this year's Jawaharlal Nehru Memorial Lecture.

For your many admirers in India, your role in the remarkable saga of Singapore parallels that of Jawaharlal Nehru in our own modern history. Both of you have not only been the architects, designers and builders of

new nations, you have also had the distinction of realizing the dreams of your people.

Your own role in transforming a colony into a great city-state that, within one generation, leads the world in almost every indicator of human activity, is a matter of historical record and has profound significance. What is spectacular is the fact that your dynamism, your leadership and the leaders you nurtured to follow you, ensured that the per capita income of your country exceeds that of your former colonizer. I salute you and the people of Singapore on this truly unique distinction. It inspires all of us in Asia to share these dreams, and to create an Asian resurgence based on lasting peace, development and prosperity.

Jawaharlal Nehru also dreamt of a resurgent Asia. He too nurtured equally Himalayan ambitions for the country he led. If the oft-repeated prophecy that the 21st Century will be the Asian Century comes true, I am convinced it will be due to the inspiring leadership of visionaries such as yourself and Prime Minister Jawaharlal Nehru. Whatever verdict history records, no one can deny that your generation of leaders dreamt big dreams, planned far into the future, and grasped the opportunities at hand.

Today, our continent is at the threshold of a new historic opportunity. There is a revolution of rising expectations sweeping throughout Asia. We now face the choice of choosing between the path of inclusive, pluralistic and participatory development, and between more exclusionist models of development. Nations such as ours have consciously opted to be inclusive societies and open economies. We want to ensure that every one of our citizens leads a life of prosperity and dignity. Given the inevitability of globalization, I do believe that all nations must deal with the challenge of pluralism as well. The message of unity in diversity is one that our societies offer to the world at large.

In conclusion, I must say that I have always been inspired by your faith in individual creativity, enterprise, and by your emphasis on a sense of national discipline. I share your abiding faith in the value of education. You have shown how through investment in education, human resources can become a nation's greatest asset. Indeed, through this strategy, under your wise leadership, Singapore completely inverted what were believed to be the geo-political and economic disadvantages of its location. I believe there are important lessons to learn from your achievements. This example, and

our close and cordial relations with Singapore, underline our policy of stronger integration with South East Asia in general, and Singapore in particular. We look forward to building upon the momentum in our partnership to raise our relations to a qualitatively new level.

I therefore thank the Jawaharlal Nehru Memorial Fund, and our distinguished chairperson, Smt Sonia Gandhi, for this opportunity to hear you deliver the Jawaharlal Nehru Memorial Lecture. We look forward to benefiting from your wisdom today, and to continuing to have the benefit of your guidance as we work to achieve the dreams of our people.”



025. Statement by Commerce and Industry Minister Kamal Nath at CHOGM 2005.

Malta, November 25, 2005.

Your Excellency, Prime Minister Mr. Lawrence Gonzi, Excellencies
It is a privilege for me to be here today. I am representing our Prime Minister Dr. Manmohan Singh, who would have very much liked to be here among you. He regrets that he could not be present personally for this very important Commonwealth Heads of Government Meeting. He sends his best wishes to all of you.

India attaches great importance to Commonwealth's fundamental political values of democracy, rule of law, good governance and fundamental freedoms. Some of these issues were discussed at the Commonwealth Asian Colloquium on Democracy and Development that was inaugurated by Dr. Manmohan Singh in New Delhi in August this year. As the Chair of the Expert Group that wrote this Report, he was looking forward to discussing these issues with you.

One of the developments, which the Commonwealth is, perhaps, in a most favourable position to profit from, is the capacities that have been created - in many cases globally significant capacities - among the developing countries of the commonwealth. South-South cooperation is much more than an expression of solidarity. It can be major asset to the Commonwealth and India is ready to play its role.

The special theme of this meeting - "Networking the Commonwealth for Development" is, therefore, very significant and timely. We believe that the so called digital divide can in fact be harnessed as a digital bridge to overcome the development divide. We have used computer, communications, space and other technologies towards this end in the rural areas. We are increasingly integrating ICT into our development plans and strategies for technological learning. India has developed considerable expertise in the field of Information and Communications Technology (ICT). ICT is a powerful tool that can be used effectively to address the developmental challenges of providing access to education and health to our peoples and advancing economic activity.

The recently concluded World Summit on the Information Society underlines the importance of removing barriers to bridging the digital divide, particularly those that hinder the full achievement of the economic, social and cultural development of countries and the welfare of their people, in particular, in developing countries.

India would be happy to offer various technical services including supply of low cost/affordable equipment, systems and integrated solutions for applications like ICT infrastructure, e-governance, e-health (telemedicine), tele-education to fellow Commonwealth developing countries in Africa, Asia, Pacific and the Caribbean. With the preponderance of small states, the contribution of the Commonwealth assumes even greater importance. I would also like to inform you that as part of our commitment to the Commonwealth, we would like to announce a special contribution of Euro 1 million to support the Commonwealth Action Plan on the Digital Divide.

India has recently initiated a Pan-African e-Network Project, which will link all the 53 countries in Africa with each other and with Addis Ababa, the seat of the African Union. The seamless and integrated satellite, fiber optics and wireless network, to be provided by India, will connect 5 universities, 51 learning centers, 10 super-specialty hospitals and 53 patient-end locations in rural areas spread all over Africa and would put in place a network providing video conferencing facilities connecting all 53 Heads of Government in Africa. It is our hope that this landmark project will assist our friends in Africa in bridging the digital divide and meeting MDGs in education and healthcare with the help of Information Technology through tele-

education, tele-medicine, e-commerce, e-governance, infotainment, resource mapping and meteorological services. Enhanced rural connectivity will augment democratic access and empowerment.

We believe that India's contribution to the technical cooperation programmes in general must also be augmented and we have announced that our contribution will be increased to £ 1 million progressively by 2009-10.

India looks forward to hosting the Commonwealth Parliamentary Association Conference in 2007 and the Commonwealth Games in 2010 in New Delhi. We have commenced preparations for these big events. We consider it great honor that members of the Commonwealth Parliamentary Association have elected the Speaker of one of India's state legislatures the Chairman of the Executive Committee of the CPA. Given the importance India attaches to responsive and responsible governance, we are supportive of the efforts to strengthen local government in the commonwealth countries.

I understand that we have quite a broad range of important issues that will come up for discussion today and over the next couple of days. I keenly look forward to a fruitful interaction with all of you especially on multilateral trade issues, where we presently stand at a critical juncture in the run up to the Hong Kong WTO Ministerial Meeting and I would be glad to use this occasion to exchange views with you. Thank you.



026. Press release of the Ministry of External Affairs on the Commonwealth Heads of Government Meeting at Valetta, Malta.

Malta, November 27, 2005

At the Commonwealth Heads of Government Meeting (CHOGM) held in Valetta, Malta from November 25-27, 2005, India announced a special contribution of Euro 1 million for the Commonwealth initiative on bridging the Digital Divide, in the context of the special theme for the CHOGM - 'Networking the Commonwealth for Development'.

Shri Kamal Nath, Minister for Commerce & Industry, who led the Indian delegation at the CHOGM, announced the Indian contribution to the Special Fund for the implementation of the Commonwealth Action Programme for the Digital Divide at the Executive Session of the Meeting of the Heads of Government. In his statement, he said that India had developed considerable expertise in the field of Information and Communication Technology, which could be used effectively to address the developmental challenges of the people in terms of access to education and health.

Shri Nath also informed the distinguished gathering about the recent launch of the Indian initiative on establishing a Pan-African e-Network project that would link the 53 member states of the African Union. The project would focus on tele-education and tele-medicine and assist these countries in the achievement of Millennium Development Goals in the areas of education and health. The project will connect 5 universities, 51 learning centers, 10 super-specialty hospitals and 53 patient-end locations in rural areas spread all over Africa and would put in place a network providing video conferencing facilities connecting all 53 Heads of Government in Africa.

India's contribution to the technical cooperation programmes of the Commonwealth is growing and will be increased to £ 1 million progressively by 2009-10 as part of our commitment to South-South cooperation. This assists projects in the other developing countries who are members of the Commonwealth.

India is fully engaged in the Commonwealth. The Speaker of the West Bengal State legislature was recently elected as the Chairman of the

Executive Committee of the Commonwealth Parliamentary Association. India will be hosting the Commonwealth Parliamentary Association Conference in 2007. It will also be hosting the Commonwealth Games In 2010 In New Delhi.



027. Address by Foreign Secretary Shyam Saran at the India Economic Summit.

New Delhi, November 28, 2005.

Foreign Secretary (Shri Shyam Saran): As far as the India-US partnership is concerned, certainly during the past one year as Foreign Secretary of India I have had the privilege of dealing with this partnership wearing a number of hats, as has been mentioned by Mr. Munjal.

Indeed the past one year has been an extremely exciting period for relations between our two great democracies. The defining moment in this partnership, which of course has been in progress for the past several years, was our Prime Minister's visit to Washington in July 2005. I think both in terms of the kind of reception the Prime Minister was given not only by President Bush, but also the reception that he got, the response that he received at the US Congress, gave us a very real sense that India was finally on the radar screen of the United States.

If one were to look at why this has happened, partly it has happened because the overlay of the cold war has been dispelled perhaps allowing both countries to really look at the very obvious complementarities, the very obvious convergences which unite them together. But, also because of the fact that the expansion of the Indian economy as a result of 15 years of economic reform and its deeper integration with the global economy has also been factored into this relationship.

As India's educational and social investments result in the larger context of an expanding middle class, it is only natural that a service-centred economy would loom large in US's long-term calculations. And also, I would like to mention here the presence of the two million strong Indian American community in the United States which has very remarkable achievements

to its credit whether it is in the field of science and technology or in business. This too has led to a change in US perceptions about India.

This naturally begs the question whether there was an inevitability to the strong thrust that we have seen in Indo-US relations and the agreements which came out of Prime Minister Dr. Manmohan Singh's visit. My own assessment is that while the developments in July were a culmination of long-term processes that I mentioned, which spanned several Governments on both sides, they were certainly accelerated by very conscious policy choices which were made at the leadership level in both countries. Let me illustrate this with a few examples. My colleague Mr. McCormick made a reference to the Next Steps in Strategic Partnership. That was certainly a very important initiative which, in fact, we were able to complete in a fairly short period of time by July 2005. The steps that were taken as part and parcel of this Next Steps in Strategic Partnership, allowed greater liberality and predictability in US's dual technology licensing, and also enabled India to institute much stricter Indian export control legislation, which led also to the landmark civil nuclear energy agreement.

Combined with the concerted attention that we have given to energy security, this made a strong case for an exception being made for India as far as civil nuclear power is concerned. Similarly, expanded exercises between our respective armed forces, greater contact at policy levels, our successful cooperation in the tsunami relief efforts at the beginning of the year, the assurances to US companies that they would enjoy a level-playing field in terms of defence contracts, and a heightened focus on defence technology through the High Technology Cooperation Group, were all contributory factors to the announcement of the new Defence Framework between India and the US in June 2005.

On the economic side there were a number of initiatives which were taken by India in more recent months. For example, the promulgation of the Patents Act, the restrictive measures on investment like the Press Note-18 being abolished; we undertook a very bold measure through the Open Skies Agreement, and also, very important, we were able to put behind us a major irritant like the Enron Dabhol Project. The establishment of high level economic and energy dialogues at the Cabinet level also emphasise the importance that we both attach to these facets of cooperation.

If we are looking ahead at India-US partnership in the coming years,

of course the forthcoming visit of President Bush to India would be a landmark event in our journey together towards the future. What really strikes us is that over the recent period we have established a level of interaction, or a breadth of interaction between our two countries which is perhaps not only unprecedented in the history of the relationship between the two countries but perhaps is also unequalled in our relations with several other major partners. It is an agenda which covers virtually every aspect of our national endeavour. Behind this is a sense that the globalised economy is here, and it is here to stay. If we are looking at a range of global issues which need resolution, which need to be dealt with, then in that context a US-India partnership seems to be in fact indispensable.

If we are looking at the energy situation: we have the long-term shortage of global energy resources, of fossil fuels, oil prices are going up, there is a scramble for energy resources all over the world. India and China are growing at the rate of seven per cent or eight per cent per annum. What does that imply in terms of the energy challenge for these two countries but also what it implies for the global energy situation? If this needs to be resolved, the kind of actions which need to be taken again suggests a very close cooperation between India and the United States.

If a civil nuclear energy cooperation agreement between India and US was made possible, I think it was made possible precisely because of that realization in the leadership of both countries that they have to deal with this energy challenge for the future. Of course, the Energy Panel which has been set up at the Cabinet level is dealing not only with the civil nuclear energy cooperation but it is, in fact, looking at the whole gamut of energy cooperation including cooperation in clean coal technologies, coal gasification, thermal power, even new technologies like hydrogen fuel cell.

There are a whole number of areas that US and India are cooperating together in. India and the US will also be working together in the international effort known as ITER, that is the International Thermo Nuclear Energy Research project which is looking at fusion energy as the energy of the future. In that too United States and India will be partners. So, there is a whole range of energy issues on which we are cooperating together and this relationship is only going to be intensified in the coming areas.

Then if we are looking at the impact of pandemics like HIV-AIDS or even Bird Flu, it is not accidental that during Prime Minister Singh's visit to

Washington we announced India-US Global Initiative on HIV-AIDS. There are strengths which India has because of its very highly developed pharmaceutical industry. We have a major R&D effort also which is taking place in India. This also suggests itself for very close cooperation between the two countries. As I said, this is only going to increase in the future.

If we are looking at other challenges, for example, challenges which are security related, what immediately comes to mind is the phenomenon of terrorism. This is one area where India and the United States of America both have been victims. But also I think there is a very strong sense that our two countries need to be working together if we are going to be able to deal with the scourge of terrorism. There has been a very good level of cooperation between the two countries on issues of terrorism.

If we are looking at the aspect of proliferation, now as India matures into a country with a large number of sensitive technologies being deployed including in the nuclear field, but not limited to the nuclear field, the aspect of cooperation on proliferation becomes very important. Again I come back to the civil nuclear cooperation agreement. I do not think this cooperation would have been possible without a recognition on the part of the United States as well as our other partners that India has an impeccable record on nonproliferation, and also that a country of India's size with the kind of scientific and technological achievements that it has to its credit, the very large infrastructure that it has in these fields, it is better for India to be inside the global nonproliferation effort rather than be outside it. So, all this has contributed a need and recognition that India is a partner in nonproliferation efforts globally rather than a target of these efforts.

As we move into the next ten-fifteen years, I think in each one of these global challenges India and the United States of America will find themselves on the same side of the fence and would be looking at how they can work very closely together. Most recently even on a subject like environment, which is also a global challenge, it is not an accident that India and the United States of America are partners in an effort which has been initiated by the United States.

If we are looking at Asia in the coming years, there is no doubt that there is a major realignment of forces taking place in Asia. There is the emergence of China as a global economic powerhouse. There will be increased capabilities that China will be able to bring to bear in this region

and even beyond. India also is going to be a major player in Asia precisely because it too is emerging as an economic powerhouse. It is also a country which has demonstrated capabilities, I mentioned the Indian response to the tsunami disaster. I think India and the United States can contribute to a much better balance in the Asian region.

In terms of our own relationship with China, just as the United States of America has a very strong engagement with China, India too is moving into a phase of very strong engagement with China. We believe that in terms of managing the emerging security scenario in Asia we need to bring more and more countries within the discipline of a mutually agreed security paradigm for this region. I think both the United States and India can contribute to that.

So, there are many areas where we see convergences between the two countries. I think the challenge lies for us in how to take this forward. In this taking this process forward there is a great deal of mutual awareness, mutual education which is required because in a real sense there has been a certain estrangement between the two countries until about a decade ago. I think what is important about interactions that we have like the one this afternoon is that it does bring us together in understanding each other's systems, understanding each other's ways of thinking, our perspectives. And this would lead to a very much richer relationship between the two countries.

I will conclude by just saying a word about the HTCG. It has played a very important role precisely in terms of making our business communities aware of the climate of doing business, the systems within which we must do business with each other and the opportunities that are emerging. This has been, as my colleague said, a very productive exercise for both the countries. I certainly look forward to taking this forward with my friend Mr. McCormick in the next few days.

Thank you very much.



028. Statement by Minister of State E. Ahamed at the Regional Economic Cooperation Conference.

Kabul, December 4, 2005.

Mr. Co-Chairmen,
Distinguished delegates,
Ladies and Gentlemen.

It gives me great pleasure to be here on this historic occasion at the first such Conference to be held in Kabul on Regional Economic Cooperation. At the outset, I would also like to take this opportunity to thank the hosts for the warm and gracious hospitality and the excellent arrangements made for this Conference. We, in India, are familiar with the Afghan tradition of hospitality, having enjoyed a relationship that is civilisational in character.

2. India is fully committed to working with the people and the Government of Afghanistan to re-build this country after the devastation caused by three decades of conflict. Our partnership today embraces a multi-dimensional cooperation programme including education, health, telecommunication, transport, civil aviation, agriculture and irrigation, industry, power generation and transmission, human resource development and many other areas.

3. Prime Minister Dr. Manmohan Singh's visit on 28-29 August 2005 and the earlier visit by President Hamid Karzai to India on 23-25 February 2005 reflect the close ties between the leadership and the people of Afghanistan and India. In addition, there are regular exchanges at the level of Cabinet Ministers and the senior officials.

4. We share President Karzai's vision of Afghanistan as the cross-roads of Central Asia, West Asia, China and the Indian sub-continent. Traditionally, trading groups connecting these regions have criss-crossed this land. The ancient cities of Balkh, Kabul, Kandahar and Herat were witness to societies that flourished along these trading routes. Afghanistan is already a member of ECO and its recent admission as a member of SAARC is a natural development, which we, in India, welcome. It links Afghanistan to what has traditionally been its largest market - India. As SAARC moves forward to developing a free trade area and other shared economic activities, Afghanistan will stand to gain considerably.

5. Notwithstanding the enormous political developments that have taken place - the process of parliamentary and presidential elections, the adoption of a forward looking Constitution, the Loya Jirga process, etc in the last four years, there are many challenges yet to overcome. The problem posed by narcotics, terrorism and insecurity in certain regions in the South and the South Eastern parts of Afghanistan not only undermine the security of Afghanistan but also hinders prospects for economic development. Dealing with such challenges is a collective responsibility of all the countries of the region and those that are interested in ensuring the long-term stability of Afghanistan as a plural society.

6. Afghanistan is a land locked country and this, along with its physical geography creates a different set of challenges. The development of the transport sector and its regional linkages become lifelines for the country's economy. It is, therefore, necessary to work together, both bilaterally and regionally on the transport network so as to bring about a gradual opening up of the markets. Simultaneously, measures will need to be taken to facilitate trade and cross-border movement of goods and services, minimize transaction costs and harmonise practices. Such a development will not only increase legitimate trade which today is over-shadowed by the cross-border smuggling but also enhance security.

7. Water management and water sharing are critical for the development of agriculture, which contributes nearly three-fourths of Afghanistan's GDP. Arrangements at harnessing the river flows will lead to stabilizing the population of Afghanistan that have been displaced by the years of conflict and also open up prospects for power generation through micro-hydel projects. Another linkage of Afghanistan with its surrounding region lies in terms of power trading agreements and development of power transmission infrastructure.

8. In order to promote such activities, which will anchor Afghanistan firmly in this region, suitable institutional strengthening and capacity building is also necessary.

9. Today, India is undergoing a process of transformation. A society of one billion people has been developing at a growth rate of more than 7 % annually in a democratic framework. The estimates of many economic think tanks predicts an average 7.5% growth rate per annum in the next four years.

Last week, speaking at the India Economic Summit, Prime Minister Dr. Manmohan Singh said that “an appropriate combination of policies can raise this beyond 8% easily, and we should be targeting a 10% growth rate in 2-3 years time.” Our vision of prosperity, however, is not limited to India but encompasses our region. I am convinced that sustained economic growth in India will have a positive impact on our neighborhood. The natural economic linkages which once governed this region in the pre-colonial era will be re-discovered and the process of economic development will transform the nature of political discourse in this region.

10. Mr. Co-Chairmen, we have circulated a brief report on India's cooperation programmes in Afghanistan and look forward to working with the government and the people of Afghanistan and other like-minded members of the international community in promoting a successful outcome of this conference.



INDIA'S FOREIGN RELATIONS - 2005

Section - II Security

029. Inaugural Address by External Affairs Minister K. Natwar Singh at the 7th Asian Security Conference (ASC) organized by Institute of Defence Studies and Analysis on "Changing Security Dynamic in Eastern Asia".

New Delhi, January 27, 2005.

Excellencies, Distinguished Participants at the 7th Asian Security Conference, Ladies and Gentlemen, I feel privileged to be invited to deliver the Inaugural Address at the IDSA's 7th Asian Security Conference. Since its inception in January 1999, this Conference has provided a forum for Asian security issues to be viewed in the most holistic manner by experts drawn from all quarters. This year's theme - Changing Security Dynamic in Eastern Asia - is particularly relevant. I commend the IDSA for their choice.

We are meeting here a month after the Tsunami disaster, which perhaps offers a metaphor about the very nature of the concept of security and the manner in which we are all inter-connected. Distance and proximity are no longer the defining elements in our comprehension and response to security challenges. Vicissitudes of nature or technological changes are rapidly transcending or abolishing borders.

May I begin with a few broad observations that could perhaps generate fruitful discussion during the course of this three-day Conference?

India's geography imparts a unique position to her in the geo-politics of the Asian continent. Our interests lie not only in different sub-categories of Asia - East Asia, West Asia, Central Asia, South Asia or South East Asia. Our development and security are also intertwined with that of each of these regions. India's integrative bonds with her Asian neighbourhood are increasingly impacted by a positive combination of factors. The relatively rapid development since the early 1990s has set us among the world's fastest growing economies. The new dynamics of economic liberalization and integration and the region's overlapping security perspectives link this larger neighbourhood in one single continuum. India's growing interdependence with East Asia, which is both the driving force and the manifestation of our "Look East" policy, brings East Asia even closer to us. Peace, security and development of East Asia are, therefore, matters of great interest and direct relevance to us.

Against this background let me now deal with India's perceptions. India's links with her extended Eastern neighbourhood go back many centuries. There is a distinctive character to this Indian impress. It was devoid of any military component. India's links with the region were civilizational, religious and cultural. The message of the Buddha emanated from here and spread to different corners of this region. Independent India exuded the same spirit of amity, friendship and goodwill. Many of you may recall that Pandit Nehru was the visionary who outlined a framework of Asian solidarity and peaceful co-existence. I myself grew up in this ambience as a young diplomat. Perhaps Nehru was ahead of his times. The world was not ready to share his high-minded vision.

Consequently, for many years India remained somewhat distant from its eastern neighbourhood. It was in 1992 that we embarked upon our "Look East" policy with renewed vigour. Gradually our links with the countries of the extended eastern Asian region have grown and are growing. This is at once gratifying and satisfying. India is getting increasingly networked with its eastern neighbours together with new opportunities, common and novel challenges. More than a mere political slogan, our "Look East" policy has a strong economic rationale. It is also sustained by our commitment to democracy and pluralism and is borne out of our desire for stability and security in our region.

Developments in East Asia are of direct consequence to India's security and development. We are therefore actively engaged in creating a bond of friendship and cooperation with East Asia that has a strong economic foundation and a cooperative paradigm of positive inter-connectedness of security interests. A common thread joins us. We stand to share the opportunities thrown open by the regions' increasing economic integration, just as we face the common threats of WMD proliferation, terrorism, energy shortage, piracy and income inequity, to name a few. The Tsunami disaster has also brought home the point, in a tragic way though, that we do not live in splendid isolation. We, therefore, believe that greater connectivity - physical, economic and political - between India and East Asia will create strong links in our common endeavour for peace and prosperity.

It is with this vision that we are engaged with the countries of East Asia to build an edifice of mutually beneficial cooperation. Recent positive developments in India's relations with China are a case in point. There are

many who look at India-China relations with the old mindset of "balance of power" or "conflict of interests" and see East Asia as a theatre of competition between these two countries. Such theories are losing relevance in today's fast-emerging dynamics of Asia's quest for peace and prosperity.

Both India and China are aware that trust and cooperation between them are one of the most crucial elements that make our region and Asia a vibrant and energetic fulcrum for growth. We are engaged in positive ways to expand our commonalities, while pro-actively addressing our differences, including the boundary question. We are doing so in a purposive and mutually acceptable manner. Despite the differences on the boundary issue, our 3,400 km long land border with China has largely remained tranquil over the last twenty-five years. This is by no means a minor achievement and should be enough to silence those who look at India-China relations only from an adversarial prism. It is for everyone to see that we have not allowed our differences to hold development in our relations across an impressive range of areas.

While there are differences between us, there is also an increasingly greater realization that there is enough space and opportunity in the region for both India and China to prosper. We are not just passively embedded in our region bound by our common neighbourhood, but are constantly interacting through endeavours which have brought huge dividends to both. Look at India's trade with China. From a meager few hundred million dollars in the beginning of the nineteen-nineties, our trade has already crossed US\$ 13 billion last year. We also look at our relations in a larger regional and global backdrop and realize the responsibility we both shoulder in contributing to the well being of humanity. We are mindful of the overarching importance of a peaceful surrounding environment for us to pursue our most fundamental task of national development. Chinese Premier Wen Jiabao's visit to India later this year will offer another opportunity to us to add further substance to our relationship, a relationship which both value.

Our relationship with Japan is another important point of anchor in our extensive interaction with East Asia. As the second largest global economy, Japan has an important role to play in Asia emerging as a key player in this century. We have traditionally viewed Japan in the perspective of our common Asian identity. In the last few years, our bilateral relations with Japan have steadily progressed. The India-Japan Global Partnership,

launched four years ago, has provided an opportunity to impart new direction and dynamism to our growing bilateral relationship. We are constantly endeavouring to add increasingly greater substance to this interaction. Economic partnership is an important dimension of our ties with Japan. Our relations are also based on the firmly shared recognition that both countries are legitimate candidates for the permanent membership of the UN Security Council. We are looking forward to Prime Minister Koizumi's visit to India later in 2005 which will help us further upgrade and deepen our relations with Japan.

The Conference is looking at Japan in a focused manner - and the Japanese participation is noteworthy. I am also gratified to learn that Mr. Ishiba, a senior Japanese parliamentarian and former Japanese Defence Minister will address you tomorrow.

With South Korea, our traditional friendship is developing on the strong foundations of our shared commitment to democratic ideals and the common desire to consolidate and diversify our exchanges. The success of South Korean President Roh's visit to India three months ago was a manifestation of this, during which we decided to establish a "Long-term Cooperative Partnership for Peace and Prosperity" with the aim of fully utilizing the substantial potential and opportunities for deepening mutually beneficial cooperation by taking advantage of our economic complementarities and political convergences. My own visit to South Korea last month convinced me that our relations are poised for significant expansion. I returned immensely impressed by South Korea's achievements in so many spheres.

India has also consciously moved forward to reestablish its age-old ties with ASEAN countries. This has been duly reciprocated. The ASEAN countries also recognize the mutual advantage of a wide-ranging partnership with India. During the Third India-ASEAN Summit in November last year, our Prime Minister emphasized that India's "Look East" policy had acquired considerable substance and irreversible momentum and that relations with ASEAN, based on mutual interest in shared peace and prosperity for the region, constituted an important priority in India's foreign policy. We signed an agreement on India-ASEAN Partnership for Peace, Progress and Shared Prosperity, which encapsulates our commitment for a long-term cooperative partnership based on our respective strengths and complementarities.

Today, as India strives to add greater substance and depth to her "Look East" policy, she espouses a vision of an Asian Economic Community, which encompasses ASEAN, South Korea, Japan, China and India - the five pillars which may form the initial core to drive Asia's emergence as the center of gravity of the global economy. The idea of the Asian Economic Community is built on the fundamental realization of the new dynamics in Asia and existing synergies. This is bringing us closer together in search of greater prosperity and is based on our common aspirations. These are visions to secure a stable and peaceful environment and pursue the development objectives that would impart strength to Asia's global standing.

As Prime Minister Manmohan Singh has declared, this community of nations would constitute an "arc of advantage" which would act as an anchor of stability and prosperity for our region and beyond. In today's global reality, where regional trading blocs are gaining strength in terms of their political and economic clout, we in Asia risk falling behind if we do not act in time. The prospects are positive, as there is a broad recognition of the enormous benefits flowing from greater integration within this part of the world. We share the common emphasis that the economic dynamism of Asia can be strengthened and sustained by developing greater linkages between the nations and integration of their markets and society. How India and East Asia fashion their cooperation in response to this emerging need will be a crucial factor in deciding how successful will Asia's success story be.

There is a general aspiration to evolve towards a more co-operative strategic and security paradigm - both globally and regionally. It is here that Asia as a whole and East Asia in a more specific sense will have to rise to the challenge. As I said, we are bound together with the destiny of a common neighbourhood. We must also join our energies in overcoming challenges to our common security and pursuing our goal of common prosperity. The emergence of Asia is in reality the sum of the success of each of its parts and the strength of their inter-linkages.

Today we stand at the cusp of exciting times, which hold a bright promise for our future collaboration. We share the responsibility to shape our co-operation to liberate the creative energies of the entire region. We must put in place a political and economic architecture which is conducive to Asia's emergence as a pre-eminent region of stability and prosperity.

This can make the 21st century the Asian century in the truest sense. But this will need dedicated, sustained hard work. And eternal vigilance.

At this moment in time, the future looks promising. While we have a deficit of democracy in international relations, there are also diverse challenges and new opportunities engendered by globalization. The non-state entity has emerged as a potent actor and the spectrum ranges from the multinational corporation to the terrorist plague. Simultaneously there is no major contestation - ideological or otherwise - among the major powers. Perhaps we are in a domain where reality and empirical evidence has gone beyond any of the conventional theories that seek to explain international relations and security studies! The mindset is perhaps changing.

Here, then, ladies and gentlemen is an intellectual challenge for all of you - as eminent academics and analysts. How does one square the circle of realpolitik with the normative values of equitable security? As a person who has some acquaintance with the Republic of letters, I believe that the human mind, imperfect though it is, can come up with fresh and innovative ideas, so sorely needed.

I thank you for your attention. It is my privilege to inaugurate the IDSA's 7th Asian Security Conference. I wish you all success in your deliberations.



030. Statement by Official Spokesperson on India-US-IAEA meeting on Regional Radiological Security Partnership.

New Delhi, February 9, 2005.

A joint delegation of representatives from the US Department of Energy and the International Atomic Energy Agency (IAEA) visited India on February 9, 2005 for the first India-US-IAEA trilateral meeting on the Regional Radiological Security Partnership (RRSP) programme.

The US and the IAEA representatives welcomed India's participation in the RRSP programme as a Regional Partner and discussions were held to work out the modalities of this cooperation. The three sides acknowledged their shared objective of enhancing globally the security of dangerous radioactive sources. The US and the IAEA delegates expressed appreciation for India's offer of providing infrastructure and expertise on a regular basis for conducting international training courses in India under the aegis of the IAEA on issues related to the security of radiological sources and materials as also for locating orphan radioactive sources in countries which are unable to effectively deal with them and which seek assistance from the IAEA. The three sides agreed to continue further discussions on the subject.



031. Inaugural address by External Affairs Minister K. Natwar Singh at the Conference on "Emerging Nuclear Proliferation Challenges" organised by Institute of Defence Studies and Analysis and Pugwash - India under the theme "India and the NPT".

New Delhi, March 28, 2005.

It gives me great pleasure to inaugurate the seminar on "Emerging Nuclear Proliferation Challenges" jointly organised by the Institute of Defence Studies and Analysis and Pugwash India Conference. The instances of onward proliferation which have come to light in the last two years and the growth and spread of international terrorism lend a sense of urgency to these discussions. The fact that this Conference is being held a few weeks before the Seventh Review Conference of the Non-Proliferation Treaty makes

this initiative timely as well as relevant to the principal concerns of our time.

The non-proliferation order is coming under increasing stress both on account of the failure to make any significant progress towards nuclear disarmament as well as the failure to prevent clandestine proliferation by members of the Non Proliferation Treaty as well as some who are outside it. The infirmities of the non-proliferation order have imposed costs on India and have had an adverse impact on our security, as much of the clandestine proliferation which is today the focus of attention has tended to flow into or emanate from our neighbourhood. The response of the international community over the years has been, from our point of view, inadequate at best or permissive at worst, leading to the present adverse situation. Unfortunately, even today we see the same inconsistencies in approach with selective focus on the recipients of such clandestine proliferation but not enough attention on the sources of supply. This uneven approach does not lend credence to the resolve of the international community to deal seriously with this issue.

India has an abiding interest in non-proliferation of Weapons of Mass Destruction not just for its own security but for peace and security of the world at large. It is now little remembered that India was amongst the initiators of the proposal for an international instrument to prevent the proliferation of nuclear weapons. We held, however, that such an instrument should involve not only a commitment by non-nuclear weapon States to abjure nuclear weapons but also a commitment from those in possession of nuclear weapons to cease the further production of fissile material for weapon purposes and to move towards complete elimination of nuclear weapons within a time-bound framework. The Treaty, as it eventually emerged, unfortunately addressed only one part of the proliferation challenge.

During Prime Minister Rajiv Gandhi's tenure, India again took a major initiative in 1988 in presenting an Action Plan for the eventual and complete elimination of nuclear weapons in a time-bound manner. However, this practical and non-discriminatory proposal did not find favour with those possessing nuclear weapon arsenals.

The end of the Cold War, bringing with it an end to the nuclear confrontation between the two super powers, once again presented a unique opportunity to move forward in the direction of reducing and eliminating nuclear weapons. These hopes have, however, been belied and instead of

progressive steps towards nuclear disarmament there has been in general a move to reassert the primacy of nuclear weapons in the security calculus of states, especially those with the largest nuclear arsenals. New doctrines and justification for use of nuclear weapons have been developed. Such an attitude feeds and strengthens the belief that nuclear weapons are a currency of power. These developments also raise a question: Are we going to see a new nuclear weapons race? While it may be premature to call it that at present, the fact remains that this is not a welcome development for achieving nuclear disarmament and by extension the goal of non-proliferation.

India may not be a party to the NPT, but, our conduct has always been consistent with the key provisions of the Treaty as they apply to nuclear weapon States. Article I of the NPT obliges a nuclear weapon state not to transfer nuclear weapons to any other country or to assist any other country to acquire them. India's record in this regard is impeccable and a matter of public knowledge. This is in contrast to the poor record of some of the nuclear weapon States who have been active collaborators in, or silent spectators to, continuing clandestine and illegal proliferation, including export of nuclear weapon components and technology. Article III requires a party to the Treaty to provide nuclear materials and related equipment to any other country only under safeguards. India's policies of international cooperation in the nuclear field have always conformed to this principle. Article VI commits the parties to the Treaty to pursue negotiations to bring about eventual global nuclear disarmament. India is not only committed to commencing negotiations for a Nuclear Weapons Convention, it is also the only nuclear weapon State ready to do so.

India is a responsible nuclear power that practices a policy of utmost restraint. We have announced a policy of no first use and non-use against non-nuclear weapon states, providing thereby negative security assurance to all non-nuclear weapon states. We have repeatedly declared that we shall maintain only a minimum credible deterrent. We have stated that the role of India's nuclear weapons is entirely defensive. Our unilateral moratorium on nuclear tests continues to remain in place.

Friends, it is our view that if the emerging proliferation challenges are to be effectively addressed, the international community should review and re-evaluate existing frameworks with a view to adapting them to current political realities. There needs to be a realization that treating existing non-proliferation structures in inflexible ideological terms, as though they were

cast in stone, will yield limited results. There is a need for a mind set change in dealing with emerging nuclear proliferation challenges. Approaches which have failed to restrain, let alone punish those guilty of proliferation need to be replaced by a new framework which, on the one hand, is effective in curbing proliferation and, at the same time, does not inhibit legitimate cooperation in peaceful uses of nuclear energy by states whose non-proliferation records are beyond doubt.

As I said in the beginning, we have a shared interest in preventing proliferation, since our security has been undermined by such proliferation. We remain ready to work towards this objective in a manner consistent with the requirements of our national security. From our perspective, to meet these challenges several steps would need to be taken, as part of a composite whole, rather than in isolation as the issues are inter-linked.

The first step should be a reaffirmation by the nuclear weapon States of their commitment towards irreversible and verifiable cuts in their nuclear arsenals and to reduce the role of nuclear weapons. This cannot be just an articulation of mere rhetoric but would have to be matched by concrete action. Our goal should be to have a universally applicable and multilateral Nuclear Weapons Convention similar to the one adopted in the case of Chemical Weapons. India remains ready to participate in agreed and irreversible steps to prepare the ground for such a Convention. During the Cold War, it was said that a 'nuclear war cannot be won and must not be fought'. The need now for all the nuclear weapon States is to reaffirm this logic. In parallel to this reaffirmation, the nuclear weapon States should take visible steps to reduce the salience of nuclear weapons in their strategic calculus. Since nuclear weapons are not really usable, efforts should be directed at taking steps, in the first instance, towards reducing their importance in security approaches. India believes in this approach and has therefore followed a policy of "No First Use". A step in this direction would be a global No-First-Use agreement. An agreement by Nuclear Weapon States ruling out the use of nuclear weapons against non-nuclear weapon states would also be an important step. The nuclear weapon States should also take practical steps to lower the alert status, through gradual de-alerting actions of their strategic weapons, consistent with the defensive role of nuclear weapons. Such concrete steps would reaffirm the solemn commitment of the international community, in particular nuclear weapons States, to nuclear disarmament and mark concrete progress in that direction.

The tendency so far has been to work on an exclusivist approach. Such an approach, we have witnessed, has neither succeeded in stopping, nor in punishing, those who are guilty of proliferation, either as a source or a recipient. Quite the contrary, it has led to putting undue constraints on those who are responsible and who have followed transparent policies. The international community needs to discard the old mindset and acknowledge the record of states, like India, who have proved time and again that they are reliable partners in the global effort to ensure non-proliferation.

India has developed a comprehensive indigenous infrastructure and a pool of skilled manpower in the nuclear sector, to meet both its energy requirements generated by the development aspirations of a billion people as well as to enhance national security. India's nuclear programme, civilian or strategic, has not violated any international obligations. At the same time, conscious of the responsibilities that such technologies bring, we have taken stringent measures to safeguard them. We are committed to further strengthening our regulatory framework in this regard in keeping with changing technical and security challenges. India has never been and will never be a source of proliferation. This has been reiterated at the highest political levels and is an article of faith of our foreign policy.

Today a key development goal across the globe is to raise the living standards of people. A critical ingredient in this process is the availability of a cheap and clean source of energy. As an energy deficit nation, India has placed considerable importance on nuclear energy in its energy mix. We will continue on the path of indigenous development. The pace of this development can be accelerated with greater international cooperation in the peaceful uses of nuclear energy. Such cooperation would not only help bring greater prosperity to a large number of people but would also help in meeting the concerns arising out of green house gas emissions. We have repeatedly said that every cooperation project in nuclear power would be open to international safeguards. However, such cooperation, today, remains hostage to restrictive denial regimes.

The need of the hour therefore is to move away from an exclusivist approach and to create a more inclusive framework based on principles of equality. We should evolve a framework which, on the one hand, effectively curbs and prevents proliferation and, on the other, does not unduly restrict cooperation in peaceful uses of nuclear energy with states, who by their

actions have strengthened the objective of non-proliferation. It has been noted in recent discussions, that international frameworks need to adapt to the rapid development and diffusion of technology. I would also like to add here that international frameworks must be dynamic and keep pace with the present day political realities.

Our actions have always been guided by the principle that we should be able to retain our freedom of thought and action to take steps necessary for our national security as well as to meet international concerns arising out of the proliferation of weapons of mass destruction especially its linkages with terrorism. Consistent with this basic position, we remain ready to engage and cooperate on the basis of equality, in all multilateral consultations, to develop such an effective framework, and to bring about a stable, genuine and lasting non-proliferation of weapons of mass destruction. Our eventual goal must remain the complete elimination of such weapons.

I wish you well in your deliberations and look forward to a substantive outcome.



032. Statement of the Ministry of External Affairs on India's submission of Instrument of Ratification of the Convention on Nuclear Safety.

New Delhi, March 31, 2005.

India has decided to ratify the Convention on Nuclear Safety. The Instrument of Ratification was submitted on March 31, 2005 to the Director General, International Atomic Energy Agency, who is the Depository of the Convention.

2. The Convention on Nuclear Safety was adopted in Vienna on 17 June 1994. It entered into force on 24 October 1996. The Convention establishes a legal obligation on the part of the States Parties to apply certain safety principles to the construction, operation and regulation of land-based civilian nuclear power plants under their jurisdiction. It provides for obligatory reporting and review procedures, while recognizing the basic principle that safety of nuclear installations remains a national responsibility.

3. Fully conscious of the responsibilities arising from the possession of advanced and comprehensive capabilities in the entire gamut of nuclear fuel cycle operations, India attaches great importance to the issue of nuclear safety. India shares the objective of the Convention on Nuclear Safety of maintaining a high level of nuclear safety worldwide through the enhancement of national measures and international cooperation, including in safety-related technical cooperation. India has over the past five decades established a multi-layered regulatory infrastructure, underpinned by a substantive corpus of long-standing legislation, for ensuring the safety of nuclear installations. India is implementing measures based on general safety principles to meet the objectives of the Convention.

4. Nuclear power, as a safe and secure energy source, is an indispensable component for meeting the development needs of a large and growing economy like India. In exploring its full potential for peaceful purposes to which India is committed, the importance of international cooperation including in the field of safety-related technologies cannot but be over-emphasized. India hopes that the States Parties to the Convention will strive towards meeting this stated objective of the Convention and not hinder international cooperation for peaceful purposes and the developmental benefits that accrue from such cooperation.



033. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on agenda Item 148: Measures to eliminate International Terrorism : Report of the Ad Hoc Committee established in the 59th Session of the UN General Assembly.

New York, April 13, 2005.

Please See Document No. 686.



- 034. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Report of the Secretary - General : "In larger freedom : towards security, development and human rights for all" at the 59th Session of the UN General Assembly.**

New York, April 8-28, 2005.

Please See :

April 8, 2005	Document No. 685
April 20, 2005	Document No. 687
April 22, 2005	Document No. 689
April 26, 2005	Document No. 690
April 28, 2005	Document No. 692



- 035. Inputs by India at the Informal meeting of the 1566 Working Group of the Security Council on Terrorism.**

New York, April 27, 2005.

Please See Document No. 691.



036. Speech of External Affairs Minister K. Natwar Singh introducing the Motion in the Lok Sabha for consideration of the “Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005.”

New Delhi, May 12, 2005.

Sir, I beg to move:

“That the Bill to prohibit unlawful activities, in relation to weapons of mass destruction and their delivery systems and for matters connected therewith or incidental thereto, be taken into consideration.”

As the House is aware, a basic tenet of India’s foreign policy since Independence has been the pursuit of global nuclear disarmament. India has been a consistent proponent of general and complete disarmament and has advocated that highest priority be given to nuclear disarmament as a first step towards this objective. We were among those who advocated an international non-proliferation agreement under which nuclear weapon states would agree to stop the production of fissile material for weapons purposes and move towards reducing and eliminating their nuclear weapons while other countries would refrain from developing or acquiring such weapons. Unfortunately, the nuclear weapon powers were not willing to accept even this limited commitment and the Non-Proliferation Treaty as it eventually emerged was an unbalanced instrument which India did not join. In 1978, India proposed negotiations for an International Convention to prohibit the use or threat of use of nuclear weapons. In 1988, at the Special Session of the United Nations General Assembly on Disarmament at New York, Prime Minister Rajiv Gandhi put forward a comprehensive action plan based on the principles of universality, non-discrimination and a balance of obligations for phased elimination of all nuclear weapons within a time-bound framework.

India’s status as a Nuclear Weapon State does not diminish its commitment to the objective of a nuclear weapon free world and we aspire for a non-violent world order, through global, verifiable and non-discriminatory nuclear disarmament. This is and continues to be an important plank of our nuclear policy. Our adherence to the Chemical Weapons Convention and the Biological and Toxin Weapons Convention is evidence

of our commitment to global disarmament regimes which are universal and non-discriminatory in character.

India is fully committed to safeguard its security as a Nuclear Weapon State. Our nuclear policy is characterized by responsibility, transparency, predictability and a defensive orientation. We are committed to building and maintaining a credible minimum deterrent. We have declared a posture of no first use. We continue to observe a voluntary moratorium on nuclear explosive testing.

At the same time, India's policy has always been not to assist, encourage or induce any other country to manufacture nuclear weapons. As a responsible nation, India has never passed on its proven technological capabilities to anyone. India will not be a source of proliferation of indigenously developed sensitive technologies. We will remain faithful to this approach as we have been for the last several decades.

India will continue to ensure that WMD-usable materials, equipment and technologies do not fall into the wrong hands whether of States or non-State actors, and in particular of terrorists. Our system of export controls is under continuous review; we continue to update these controls where necessary.

Over the years, India has enacted a corpus of legislation dealing with activities of direct or indirect relevance to weapons of mass destruction, their means of delivery and related materials, equipment and technologies. It has also institutionalized administrative mechanisms to prevent unlawful access to such weapons and their delivery systems.

Conscious of its responsibilities, India has been exercising controls over the export of Weapons of Mass Destruction-usable materials, equipment and technologies.

It is now considered desirable to introduce an overarching and integrated legislation to prohibit unlawful activities in relation to weapons of mass destruction and their means of delivery and to build upon the regulatory framework related to controls over the export of WMD-usable materials, equipment and technologies, especially in view of India's status as a Nuclear Weapon State.

The rationale for the proposed Weapons of Mass Destruction and

Their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005 is based on the same policy tenets that have guided the country over the past several decades, which are reflective of the nation's commitment to safeguard India's national security, to deepen its autonomous scientific and technical capability for meeting our security imperatives and development goals and to the objective of global peace and security. These tenets are based on continuity and are underpinned by a national consensus cutting across party lines.



037. Reply speech of External Affairs Minister K. Natwar Singh in the Lok Sabha to the debate on the Bill: "Weapons of Mass Destruction and Their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005".
New Delhi, May 12, 2005.

Thank you, Sir. May I, to begin with, thank all the hon. Members who have participated in the discussion and made very valuable suggestions? I also deeply appreciate the support each one of them has given to the Bill that I have placed before the House to be passed today.

Shri Rupchand Pal, raised a question about the urgency and he himself has said that it is because of Resolution 1540, which was passed by the Security Council last year. Resolution 1540 is mandatory under Chapter seven of the Charter of United Nations. I do not want to take the time of the House by reading the details from the Charter but we have no other option but to accept this and to report to the Security Council as to what steps we have taken. The first report was submitted to the Security Council in October, 2004 and the next report will be sent very shortly.

The Resolution calls upon the States, under Chapter seven of the Charter of UN, to adopt national rules and regulations, where it has not been done, to ensure compliance with their non-proliferation commitments. Further, to counter a threat posed upon all States in accordance with their national legal authorities and legislation in consistence with international law, to take cooperative action to prevent illicit trafficking in nuclear, chemical and biological weapons, their means of delivery and related materials.

A reference, of course, was made to sections 9, 15 (1), (2) and (3) and 20. If hon. Members who have raised the questions read the totality of these sections 9, 15 and 21, their fears will be allayed that any action will be taken which will be prejudicial to innocent people who are in no way connected with this.

Now I am very glad that Shri Nikhil Kumar mentioned the name of Mr.A.Q. Khan. He is in our neighbourhood. It is essential for us that this legislation, which the Government has placed before the House, is adopted. From what I heard of the debate today, I just want to say that I feel greatly encouraged.

I thank Shri Rupchand Pal, Shri Bansal, Shri Nikhil Kumar, Dr. Shandil, Shri Ram Gopal Yadav, Shri Sita Ram, and Shri Chandrappan. Then, I thank all of you for the support that you have given to this Bill.

I would once again reiterate that India is committed to safeguard its security as a nuclear weapon State and to deepen its autonomous scientific and technical capability for meeting our security imperatives as well as our developmental goals. India is and will remain a responsible nuclear power. We have adopted the most responsible policy on sensitive and dual-use nuclear and missile related technologies. We are committed to ensure that these do not fall into the wrong hands, especially the terrorists and non-State actors. India has an impeccable record in this regard; and India will continue to work to prevent proliferation of weapons of mass destruction.

I would request the august House to pass the Bill.

Mr Deputy-Speaker : The question is:

“That the Bill to prohibit unlawful activities, in relation to weapons of mass destruction and their delivery systems and for matters connected therewith or incidental thereto, be taken into consideration.”

The motion was adopted.



038. Statement by External Affairs Minister K. Natwar Singh in Rajya Sabha on the “Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005”.

New Delhi, May 13, 2005.

Hon’ble Chairman and Colleagues,

I rise to request this august House to consider and pass the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities)¹ Bill, 2005.

2. As the house is aware, a basic tenet of India’s foreign policy since independence has been the pursuit of global nuclear disarmament. India has been a consistent proponent of general and complete disarmament and has advocated that the highest priority be given to nuclear disarmament as a first step toward this objective. We were among those who advocated an international non-proliferation agreement under which nuclear weapon states would agree to stop the production of fissile material for weapons purposes and move towards reducing and eliminating their nuclear weapons while other countries would refrain from developing or acquiring such weapons. Unfortunately, the nuclear weapon power were not willing to accept even this limited commitment and the Non-Proliferation Treaty as it eventually emerged was an unbalanced instrument which India did not join. In 1978, India proposed negotiations for an international Convention prohibit the use or threat of use of nuclear weapons. In 1988 at the Special Session of the UN General Assembly on Disarmament, Prime Minister Rajiv Gandhi put forward a comprehensive action plan based on the principles of universality, non-discrimination and a balance of obligations for the phased elimination of all nuclear weapons within a time-bound framework.

3. India’s status as a Nuclear Weapon State does not diminish its commitment to the objective of a nuclear weapon free world. We aspire for a non-violent world order, through global, verifiable, and non-discriminatory nuclear disarmament. This is and continues to be an important plank of our

1. The legislation was undertaken in response to the UN Resolution No. 1540 which made it mandatory for all member-nations to enact a law to prevent trafficking in nuclear chemicals and biological weapons.

nuclear policy. Our adherence to the Chemical Weapons Convention and the Biological and Toxin Weapons Convention is evidence of our commitment to global disarmament regimes which are universal and non-discriminatory in character.

4. India is fully committed to safeguard its security as a Nuclear Weapon State. Our nuclear policy is characterized by responsibility, transparency, predictability and a defensive orientation. We are committed to building and maintaining a credible minimum deterrent. We have declared a posture of no first use. We continue to observe a voluntary moratorium on nuclear explosive testing.

5. At the same time, India's policy has always been not to assist, encourage or induce any other country to manufacture nuclear weapons. As a responsible nation, India has never passed on its proven technological capabilities to any one. India will not be a source of proliferation of indigenously developed sensitive technologies. We will remain faithful to this approach, as we have been for the last several decades.

6. India will continue to ensure that WMD-usable materials, equipment and technologies do not fall into the wrong hands whether of States or non-State actors, and in particular of terrorists. Our system of export controls is under continuous review; we continue to update these controls where necessary.

7. Over the years, India has enacted a corpus of legislation dealing with activities of direct or indirect relevance to weapons of mass destruction, their means of delivery and related materials, equipment and technologies. It has also institutionalized administrative mechanisms to prevent unlawful access to such weapons and their delivery systems. Conscious of its responsibilities, India has been exercising controls over the export of WMD-usable materials, equipment and technologies.

8. It is now considered desirable to introduce an over-arching and integrated legislation to prohibit unlawful activities in relation to weapons of mass destruction and their means of delivery and to build upon the regulatory framework related to controls over the export of WMD-usable materials, equipment and technologies, especially in view of India's status as a Nuclear Weapon State.

9. The rationale for the proposed Weapons of Mass Destruction and

their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005 is based on the same policy tenets that have guided the country over the past several decades, which are reflective of the nation's commitment to safeguard its national security, to deepen its autonomous scientific and technical capability for meeting our security imperatives and developmental goals and to the objective of global peace and security. These tenets are based on continuity and are underpinned by a national consensus cutting across party lines.



039. Media briefing by Official Spokesperson on the passage of “Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Bill 2005” as passed by Parliament.

New Delhi, May 13, 2005.

Official Spokesperson: Good evening. As you know the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Bill 2005 has now been passed in both Houses of Parliament. I thought this would be a matter of interest to journalists.

The statement made by External Affairs Minister in the Rajya Sabha is available. I will just add a few points, which focus on the new legislation.

It is an important legislation in the light of India's emergence as a nuclear weapons state. It provides for an integrated and overarching legislation on prohibiting unlawful activities in relation to WMD and their deliver systems and related materials, equipment and technologies. We do have earlier several legislations, which deal with and have relevance to WMD. For instance, there is the Atomic Energy Act of 1962, there is the Chemical Weapons Convention Act of 2000, there is the Environment Protection Act, there is Explosive Substances Act 1908 and so on. But, the objective of introducing this legislation was to provide an integrated and overarching legislation, which provides for prohibiting a range of unlawful activities in relation to WMD and their delivery system and WMD usable goods and technologies.

This does not indicate any change in our nuclear policy. It does not

in manner constrain any nuclear programmes, civilian or strategic. India is determined to utilize advance technologies for its security, for the welfare of its people and for meeting the nation's developmental requirements.

In terms of how this legislation fits into the requirements of the UN, I may add that these updated controls over the export of WMD usable goods and technologies and prohibitions related to non-state actors will fulfill our mandatory obligations under the UN Security Council Resolution 1540 which was adopted on April 28, 2004. The legislation and its passage underlines India's role as a responsible nuclear power and reflects the inherent sense of national responsibility that arises from the possession of sensitive-to-use technologies. Naturally, it also underlines our abiding interest in contributing to global peace and security.

Question: Do you think this legislation makes it easier for India to fulfill its civilian nuclear energy requirements from abroad?

Answer: The fact that India has taken all the steps necessary to show that India is a responsible nuclear state is naturally a major statement to the world.

Question: Is it a coincidence that this Bill has been passed when the review of NPT is going on?

Answer: I think that is a coincidence. If you would like to see a linkage, I frankly do not see a linkage at all. India is not part of the NPT process but that has never stopped India taking steps against proliferation and showing its commitment to peace and security.



**040. The weapons of Mass Destruction and their delivery systems (Prohibition of Unlawful Activities) Act, 2005¹.
[No. 21 of 2005]**

June 6, 2005.

An Act to prohibit unlawful activities, in relation to weapons of mass destruction and their delivery systems and for matters connected therewith or incidental thereto.

Whereas India is determined to safeguard its national security as a Nuclear Weapon State;

And Whereas India is committed not to transfer nuclear weapons or other nuclear explosive devices, or to transfer control over such weapons or explosive devices, and not in any way to assist, encourage, or induce any other country to manufacture nuclear weapons or other nuclear explosive devices;

And whereas India is committed to prevent a non-State actor and a terrorist from acquiring weapons of mass destruction and their delivery systems;

And whereas India is committed to the objective of global nuclear disarmament;

And whereas India is committed to its obligations as a State Party to the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction and the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction;

And whereas India is exercising controls over the export of chemicals, organisms, materials, equipment and technologies in relation to weapons of mass destruction and their delivery systems under other relevant Acts;

And whereas it is considered necessary to provide for integrated legal measures to exercise controls over the export of materials, equipment and technologies and to prohibit unlawful activities in relation to weapons of mass destruction and their means of delivery.

Be it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:—

1. Published in the Gazette of India-Extraordinary - Part-II. Section - I, June 7, 2005.

Short title and commencement

1. (1) This Act may be called the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005.
- (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Act in addition to other laws.

2. Save as otherwise expressly provided in this Act, the provisions of this Act shall be in addition to any other relevant Act for the time being in force in relation to any matter covered under this Act.

Extent and application

3. (1) It extends to the whole of India including its Exclusive Economic Zone.
- (2) Every person shall be liable to punishment under this Act for every act or omission contrary to the provisions thereof, of which he is held guilty in India.
- (3) Any person who commits an offence beyond India, which is punishable under this Act, shall be dealt with according to the provisions of this Act in the same manner as if such act had been committed in India.
- (4) The provisions of this Act shall also apply to —
 - (a) citizens of India outside India;
 - (b) companies or bodies corporate, registered or incorporated in India or having their associates, branches or subsidiaries, outside India;
 - (c) any ship, aircraft or other means of transport registered in India or outside India, wherever it may be;
 - (d) foreigners while in India;
 - (e) persons in the service of the Government of India, within and beyond India.

- (5) Notwithstanding the applicability of the provisions of any other Central Act relating to any activity provided herein, the provisions of this Act shall apply to export, transfer, re-transfer, transit and trans-shipment of material, equipment or technology of any description as are identified, designated, categorised or considered necessary by the Central Government, as pertinent or relevant to India as a Nuclear Weapon State, or to the national security of India, or to the furtherance of its foreign policy or its international obligations under any bilateral, multilateral or international treaty, Covenant, Convention or arrangement relating to weapons of mass destruction or their means of delivery, to which India is a Party.

Definitions.

4. In this Act, unless the context otherwise requires,—

- (a) “biological weapons” are—
- (i) microbial or other biological agents, or toxins whatever their origin or method of production, of types and in quantities that have no justification for prophylactic, protective or other peaceful purposes; and
 - (ii) weapons, equipment or delivery systems specially designed to use such agents or toxins for hostile purposes or in armed conflict;
- (b) “brought in transit” means to bring goods from any country into India by land, air, or amphibious means of transportation, where the goods are to be taken out from India on the same conveyance on which they are brought into India without any landing in India, but does not include a conveyance in innocent passage through Indian territory, Indian territorial waters or Indian airspace of a foreign conveyance carrying goods.

Explanation I.—A conveyance is a foreign conveyance if it is not registered in India.

Explanation II.—A conveyance is in “innocent passage” if it is not engaged in relevant activity and passes through or above Indian territorial waters or airspace without stopping or anchoring in India;

- (c) "chemical weapons" means,—
- (i) the toxic chemicals and their precursors, except where intended for—
 - (a) industrial, agricultural, research, medical, pharmaceutical or other peaceful purposes;
 - (b) protective purposes, namely those purposes directly related to protection against toxic chemicals and to protection against chemical weapons;
 - (c) military purposes not connected with the use of chemical weapons and not dependent on the use of the toxic properties of chemicals as a method of warfare; or
 - (d) law enforcement including domestic riot control purposes;as long as the types and quantities are consistent with such purposes;
 - (ii) the munitions and devices, specifically designed to cause death or other harm through the toxic properties of those toxic chemicals specified in sub-clause (i), which would be released as a result of the employment of such munitions and devices; and
 - (iii) any equipment specifically designed for use directly in connection with the employment of munitions and devices specified in sub-clause (ii), together or separately;
- (d) "export" shall have the meaning assigned to this expression in the Foreign Trade (Development and Regulation) Act, 1992; (22 of 1992);
- (e) "fissile material" and "radioactive material" shall have the meanings assigned to these expressions in the Atomic Energy Act, 1962; (33 of 1962);
- (f) "item" means materials, equipment, and technology, of any description, notified under this Act or any other Act related to relevant activity;
- (g) "non-State actor" is a person or entity not acting under the lawful authority of any country;

- (h) “nuclear weapon or other nuclear explosive device” means any nuclear weapon or other nuclear explosive device as may be determined by the Central Government, whose determination in the matter shall be final;
- (i) “public domain” means domain that has no restrictions upon dissemination of information within or from it; the existence of any legal rights to intellectual property in that information does not remove such information from being in public domain;
- (j) “relevant activity” means,—
- (i) the development, production, handling, operation, maintenance, storage or dissemination of a nuclear, chemical or biological weapon; or
 - (ii) the development, production, maintenance, storage or dissemination of missiles specially designed for delivering any-such weapon;
- (k) “re-transfer” means transfer of any item notified under this Act from any country or entity to which it has been exported from India, to yet another country or entity;
- (l) “technology” means any information (including information embodied in software) other than information in the public domain, that is capable of being used in—
- (i) the development, production or use of any goods or software;
 - (ii) the development of, or the carrying out of, an industrial or commercial activity or the provision of a service of any kind.

Explanation.—When technology is described wholly or partly by reference to the uses to which it (or the goods to which it relates) may be put, it shall include services which are provided or used, or which are capable of being used, in the development, production or use of such technology or goods;

- (m) “terrorist” shall have the meaning assigned to this expression in the Unlawful Activities (Prevention) Act, 1967; (37 of 1967)
- (n) “trans-shipment” means to remove goods from the conveyance on which they were brought into India and to place the goods

on the same or another conveyance for the purpose of taking them out of India, where these acts are carried out on a "through bill of lading", "through airway bill" or "through manifest".

Explanation.—"through bill of lading", "through airway bill" and "through manifest" means respectively a bill of lading, airway bill and manifest, for the consignment of goods from a place outside India to a destination which is also outside India without a consignee in India;

- (o) "unlawful" means without the authority of the Central Government and the expression "unlawfully" shall be construed accordingly;
- (p) "weapons of mass destruction" means any biological, chemical or nuclear weapons.

Power to identify, designate, categories or regulate certain activities.

- 5. (1) The Central Government may identify, designate, categories or regulate, the export, transfer, re-transfer, trans-shipment, or transit of any item related to relevant activity in such manner as may be prescribed.
- (2) The Central Government may, by order published in the Official Gazette, designate or notify any item related to relevant activity for the purposes of this Act.

Power to appoint Advisory Committees.

- 6. For the purposes of this Act, the Central Government may appoint such Advisory Committees as it deems fit, and may appoint to them persons to exercise such powers and perform such duties as the Central Government may, by rules, prescribe.

Delegation of Powers

- 7. (1) Subject to the provisions of this Act and any other law for the time being in force, related to relevant activity, the Central Government shall have the power to direct or assign to any authority, in such manner as it may deem appropriate, such powers as may be necessary to implement the provisions of this Act.
- (2) The Central Government may appoint a Licensing Authority and

an Appellate Authority and make provisions relating to such authority and for licensing in such manner and in such form, as the Central Government may, by rules, prescribe.

- (3) Without prejudice to the generality of the provisions contained in this Act, the authorities and mechanisms provided under other relevant Acts shall continue to deal with matters covered under those Acts:

Provided that in case of any doubt as to whether a matter falls within the scope of such relevant Acts or under this Act, the decision of the Central Government thereon shall be final.

Prohibition relating to weapons of mass destruction.

8. (1) No person shall unlawfully manufacture, acquire, possess, develop or transport a nuclear weapon or other nuclear explosive device and their means of delivery.
- (2) No person shall unlawfully transfer, directly or indirectly, to any one a nuclear weapon or other nuclear explosive device, or transfer control over such a weapon, knowing it to be a nuclear weapon or other nuclear explosive device.
- (3) No person shall unlawfully manufacture, acquire, possess, develop or transport a biological or chemical weapon or their means of delivery.
- (4) No person shall unlawfully transfer, directly or indirectly, to any one biological or chemical weapons.
- (5) No person shall unlawfully transfer, directly or indirectly, to any one missiles specially designed for the delivery of weapons of mass destruction.

Prohibition relating to non-State actor or terrorist.

9. No person shall, directly or indirectly, transfer to a non-State actor or terrorist, any material, equipment and technology notified under this Act or any other Act related to relevant activity:

Provided that such transfer made to a non-State actor shall not include a transfer made as such to any person acting under lawful authority in India.

Prohibition as regards intimidating acts.

10. No person shall transfer, acquire, possess, or transport fissile or radioactive material, which is intended to be used to cause, or in a threat to cause, death or serious injury or damage to property for the purpose of intimidating people or a section of the people in India or in any foreign country, or compelling the Government of India or the Government of a foreign country or an international organisation or any other person to do so or abstain from doing any act.

Prohibition on export.

11. No person shall export any material, equipment or technology knowing that such material, equipment or technology is intended to be used in the design or manufacture of a biological weapon, chemical weapon, nuclear weapon or other nuclear explosive device, or in their missile delivery systems.

Prohibition on brokering.

12. No person who is a resident in India shall, for a consideration under the terms of an actual or implied contract, knowingly facilitate the execution of any transaction which is prohibited or regulated under this Act:

Provided that a mere carriage, without knowledge, of persons, goods or technology, or provision of services, including by a public or private carrier of goods, courier, telecommunication, postal service provider or financial service provider, shall not be an offence for the purposes of this section.

Regulation of export, transfer, re-transfer, transit and trans-shipment.

13. (1) No item notified under this Act shall be exported, transferred, re-transferred, brought in transit or transhipped except in accordance with the provisions of this Act or any other relevant Act.
- (2) Any transfer of technology of an item whose export is prohibited under this Act or any other relevant Act relating to relevant activity shall be prohibited.
- (3) When any technology is notified under this Act or any other relevant Act, as being subject to transfer controls, the transfer of such technology shall be restricted to the extent notified thereunder.

Explanation.—The transfer of technology may take place through either or both of the following modes of transfer, namely:—

- (a) by a person or from a place within India to a person or place outside India;
 - (b) by a person or from a place outside India to a person, or a place, which is also outside India (but only where the transfer is by, or within the control of, person, who is a citizen of India, or any person who is a resident in India).
- (4) The Central Government may notify any item as being subject to the provisions of this Act, whether or not it is covered under any other relevant Act; and when such item is exhibited, sold, supplied or transferred to any foreign entity or a foreigner who is resident, operating, visiting, studying, or conducting research or business within the territorial limits of India, or in its airspace or Exclusive Economic Zone, it shall constitute an offence.

Offences and penalties.

14. Any person who contravenes, or attempts to contravene or abets, the provisions of section 8 or section 10 of this Act, shall be punishable with imprisonment for a term which shall not be less than five years but which may extend to imprisonment for life, and shall also be liable to fine.

Punishment for aiding non-State actor or terrorist.

15. (1) Any person who, with intent to aid any non-State actor or terrorist, contravenes the provisions of section 9 of this Act, shall be punishable with imprisonment for a term which shall not be less than five years but which may extend to imprisonment for life, and shall also be liable to fine.
- (2) Any person who, with intent to aid any non-State actor or terrorist, attempts to contravene or abets, or does any act preparatory to contravention of sub-section (1), shall be deemed to have contravened that provision and the provision of subsection (1) shall apply subject to the modification that the reference to “imprisonment for life” therein shall be construed as a reference to “imprisonment for ten years”.
- (3) While determining the punishment under this section, the court shall take into consideration whether the accused had the knowledge about the transferee being a non-State actor or not.

Punishment for unauthorised export.

16. (1) Any person who knowingly contravenes, abets or attempts to contravene, the provisions of sub-section (4) of section 13 of this Act, shall be punishable with fine which shall not be less than three lakh rupees and which may extend to twenty lakh rupees.
- (2) If any person is again convicted of the same offence under sub-section (1), then he shall be punishable for the second and every subsequent offence with imprisonment for a term which shall not be less than six months but which may extend to five years and shall also be liable to fine.

Punishment for violation of other provisions of the Act.

17. (1) Where any person contravenes, or abets or attempts to contravene, any provision of this Act other than the provisions under sections 8,9,10 and sub-section (4) of section 13 of this Act, he shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to five years and shall also be liable to fine.
- (2) If any person is again convicted of the same offence under sub-section (1), then he shall be punishable for the second and every subsequent offence with imprisonment for a term which shall not be less than one year but which may extend to seven years and shall also be liable to fine.

Penalty for using false or making forged documents, etc.

18. Where any person signs or uses, or causes to be signed or used, any declaration, statement or document submitted to the competent authority knowing or having reason to believe that such declaration, statement or document is forged or tampered with or is false in any material particular, and relates to items notified under this Act or any other relevant Act, including those related to relevant activity, he shall be punishable with fine which shall not be less than five lakh rupees or five times the value of the materials, equipment, technology or services, whichever is more.

Punishment for offences with respect to which no provision has been made

19. Whoever contravenes any other provision of this Act or any rule or

order made thereunder for which no specific punishment is provided, shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both.

Offence by Companies

20. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

- (2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section—

- (a) “company” means any body corporate and includes a firm and other association of individuals; and
(b) “director”, in relation to a firm, means a partner in the firm.

Cognizance of offences.

21. No Court shall take cognizance of any offence under this Act without the previous sanction of the Central Government or any officer authorised by the Central Government in this behalf.

Bar of jurisdiction of civil courts.

22. No action or proceedings taken under section 5 and sub-sections (1) and (2) of section 7 of this Act by the Central Government or any officer authorised by it in this behalf shall be called in question in any civil court in any suit or application or by way of appeal or revision, and no injunction shall be granted by any civil court or other authority in respect of any action taken or to be taken in pursuance of any power conferred under those provisions.

Effect of other laws.

23. (1) The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or any other instrument having effect by virtue of any enactment other than this Act
- (2) Where any act or omission constitutes an offence punishable under this Act and also under any other relevant Act, then the offender found guilty of such offence shall be liable to be punished under that Act which imposes a greater punishment.

Protection fo action taken in good faith.

24. No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer or authority of the Central Government or any other authority on whom powers have been conferred pursuant to this Act, for anything which is in good faith done or purported to be done in pursuance of this Act or any rule or order made thereunder.

Special provisions as to Central Government.

25. Nothing in this Act shall affect the activities of the Central Government in the discharge of its functions relating to the security or the defence of India.

Power to make rules.

26. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.
- (2) n particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) manner of regulating any item related to relevant activity under sub-section (1) of section 5;
 - (b) appointment of Advisory Committees, their powers and duties under section 6;
 - (c) appointment of Licensing and Appellate Authority and the manner of licensing under sub-section (2) of section 7; and
 - (d) any other matter which has to be, or may be, prescribed.
- (3) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to remove difficulties

27. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of the period of two years from the date of commencement of this Act.

- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

T. K. Viswanathan,
Secy. to the Govt. of India



041. Remarks by Prime Minister Dr. Manmohan Singh at the meeting of BARC (Bhabha Atomic Research Centre) Scientists.

Trombay, June 4, 2005.

Chairman of the Atomic Energy Commission Dr. Anil Kakodkar,
Director of BARC Dr. S. Banerjee,
Dr. Homi Sethna, Dr. Chidambaram,
Members of the BARC Fraternity,
Ladies and Gentlemen,

I am delighted to be here today. We live in an age in which human knowledge is growing at an exponential pace. It is a pace that was unthinkable only a few decades ago. Human knowledge and science and technology are the new determinants of national development. In the gigantic task of national development and nation building that is before us, the members of the BARC fraternity have played an outstanding role, and I salute you for it. I thank you on behalf of the nation for your efforts.

It is therefore a pleasure for me to speak to such a distinguished gathering of scientists today. This great national enterprise that BARC is takes its name after the Father of India's Atomic Energy Programme – Dr. Homi Bhabha, a great visionary and a great patriot who laid the foundations of a self-reliant nuclear programme for India. I pay homage to his memory and I salute his vision.

The Bhabha Atomic Research Centre has gained national and international recognition as the mother institution of our Atomic Energy Programme. BARC has been instrumental in the birth of a whole host of DAE institutions, ranging from cutting edge R&D to commercial operations. The BARC Training School has become the primary source of human resource talent for the entire Department of Atomic Energy.

Our nuclear programme has benefited from a generation of outstanding scientists and engineers. We recall with gratitude the contributions made by my friend and colleague, Dr Homi Sethna, Dr. P.K. Iyengar, Dr. M. R. Srinivasan, Dr Chidambaram and the late Dr. Raja Ramanna. Dr. Kakodkar is carrying on this great tradition and I compliment him and his colleagues for their dedicated work. All these outstanding

scientists have been nurtured by this great centre of scientific excellence. This is a fitting example of how great institutions and outstanding individuals reinforce each other, a model we must replicate elsewhere in our country, in the management of our affairs and in our academic institutions.

The Department of Atomic Energy, which marked the Golden Jubilee of its establishment last year, has made tremendous strides ranging from fundamental scientific research to development and commercial applications of nuclear energy. Our Scientists have—and I say it with great pride—mastered all aspects of nuclear fuel cycle technology. This is an achievement for which the nation is grateful to them. They have also achieved high standards in safety and environment management. Nuclear technology developed in this Centre has found applications in industry, health, agriculture, food preservation, urban waste management and desalination.

It is a matter of national pride that India is among a select group of countries with advanced capabilities to utilize the entire gamut of fuel cycle operations. The technology to recover plutonium from irradiated nuclear fuel and use it to produce nuclear power in thermal as well as in fast reactors, making use of our vast thorium reserves, is critical to Dr Bhabha's vision of a phased but unconstrained development of our nuclear power programme. We remain committed to doing all that is necessary to realize Dr. Bhabha's vision. Our Government will ensure that the resource and capability base that BARC represents will be nurtured to meet our security needs in the years ahead.

Ladies and Gentlemen,

To ensure our energy security in future, we must recognize that nuclear energy is an important component of our overall energy basket. We cannot allow energy constraints to retard our economic and social growth. Nuclear energy is a clean and safe alternative to our dependence on fossil fuels. It is therefore imperative for the country to embark on a major expansion of nuclear energy. Our objective is to generate at least 20,000 MW of nuclear power by the year 2020 and we are determined to achieve this target.

Such an expansion will require a focused national effort. However, when we succeed, it will provide considerable scope for the establishment of nuclear power plants through international collaboration. We hope that countries with advanced nuclear power industries will come forward to make

use of the growing opportunities in India for cooperation in civilian nuclear energy. This is not just in India's interest, but indeed in the interests of the international community as a whole, worried as we all are by global warming and all that goes with it.

Ladies and gentlemen,

India is a responsible nuclear power. While we are determined to utilize fully the advanced technologies in our possession – both civilian and strategic, we are also prepared for a constructive dialogue with the international community to remove hindrances to a free flow of nuclear materials, technology and know-how. Our non-proliferation and export control credentials are impeccable and have been further strengthened through a comprehensive legislative action against WMD proliferation that our Parliament passed only a few weeks ago.

Our nuclear programme has reached global standards of excellence. Our scientific and technological achievements have given us the will and confidence to explore enhanced interactions and exchanges with the outside world. Artificial barriers and technology denial regimes are an anachronism in the age of globalization, and must be progressively dismantled. Given our scientific credentials we can add value to international cooperative endeavors. India would like to participate in all efforts to find alternatives to traditional sources of energy.

Ladies and Gentlemen,

The most valuable resource in any scientific endeavour is its human resource base. This Centre must continue to attract the best scientific talent in the country. I am glad that the Department of Atomic Energy is encouraging greater student involvement in its research programmes and is strengthening linkages with our university system.

I am happy to announce today that the Department's proposal to set up a Dr. Homi Bhabha National Institute has been approved. This will bring together ten premier institutions all over the country under a single research-driven framework. This will help ensure that our scientists and our scientific establishments remain at the forefront of the pursuit of excellence, comparable with the best global standards.

In conclusion, let me once again convey my deep appreciation for

your dedication and your deep commitment to our nation's growth. The nation is proud of the achievements of our scientists and technologists working dedicatedly here to develop our capability in atomic energy. In this journey of excellence, I assure you of the sustained support of the Government and our people. You should remain in the forefront of the national scientific endeavor. That is my prayer, that is my hope. May your path be blessed.

Thank you.



042. Speech of Defence Minister Pranab Mukherjee at the Carnegie Endowment for International Peace on India's Strategic Perspectives.

Washington (DC), June 27, 2005.

Honoured guests,

It is a great privilege for me to be here in Washington, before this distinguished gathering at the Carnegie Endowment for International Peace, to speak on 'India's strategic perspectives'. I would like to thank Carnegie President Jessica Mathews for the opportunity, and Ashley Tellis for the initiative and arrangements.

Friends, I have been in public life now for over 40 years, a good part of it in Government, at different times, as Minister of Finance, Commerce and External Affairs. I have been here in my capacity as each of these. Times have certainly changed. The last time I was here, in Washington, in 1995, the world was very different. Public discourse on India-US relations was dominated by the baggage of the past rather than by a vision of the future. It was a perennial puzzle: how could two democracies, one the oldest and the other the largest, be so much at odds in their perception of the world?

Today, we see an objective convergence in many areas, in the area of values as well as interests, not least over the big issues of the day: democracy, fundamental freedoms, economic vitality on the one hand; and terrorism, proliferation of weapons of mass destruction, maritime security and international peace and stability on the other.

India's strategic perspectives have been shaped by geography, history, our own native culture and vision, and geopolitical realities and imperatives. Geographically, a few facts are particularly relevant. First, that India is both a continental and maritime nation with a territory of over 3 million sq kms, a land frontier of 15,000 kms, a coastline of 7,500 kms, and a population of 1.1 billion, the second largest in the world.

Second, its location at the base of continental Asia and the top of the Indian Ocean gives it a vantage point in relation to both West, Central, continental and South-East Asia, and the littoral States of the Indian Ocean from East Africa to Indonesia.

Third, India's peninsular projection in the Ocean which bears its name, gives it a stake in the security and stability of these waters. Nehru once said: "I look at India....on three sides, the sea, and on the fourth, high mountains....History has shown that whatever power controls the Indian Ocean, has in the first instance, India's sea borne trade at her mercy, and in the second, India's very independence itself".

Fourth, it shares borders with eleven neighbours, most of whom do not share borders amongst themselves.

Fifth, it is an energy deficient country located close to some of the most important sources of oil and natural gas in the Gulf and Central Asia and adjacent to one of the most vital sea-lanes through which 60,000 ships transit every year.

Its natural features, particularly the high wall of the Himalayas to the north, and the vast Indo-Gangetic plain, incline natural movements to and from the north-west of India, from West and Central Asia to the plains. Curiously, while the plains attracted invaders, conquerors, and military campaigns, from Greece (Alexander) to Central Asia (Babur), the reverse was not true, though the 4th century B.C. Mauryan emperor Ashoka did leave his mark in Afghanistan through his edicts eschewing war and exhorting Buddhist non-violence and peace.

Historically, India has been a fundamentally 'open' society. It has received and absorbed major influences from outside, like Islam and Christianity, and radiated cultural influences, outward. It was, with the Arab, Persian and Sinic civilizations, a source of cultural influence in Asia. India

was one of the great well-springs of human intellectual and spiritual achievement, of the metaphysical insights of Hinduism, and the pacific mission of Buddhism. It is customary to talk of strategic perspectives in terms of 'hard' power: our strategic perspectives were those of trade, religion, culture, spirituality, and the arts; and later, the political morality of Gandhi.

Developments from the 17th century onwards fundamentally altered these traditional orientations and moorings of India's external relations with the outside world in profound ways. European mercantilism grew into the maritime domination of the Indian Ocean, disrupting traditional trade and contacts between India and its regional maritime partners to the east and west. Further north, in mainland Asia, it introduced relationships of domination and rivalry between imperial powers where earlier only local powers played out their dynastic destinies.

Several developments in the 20th century, with their roots in imperial history, affected India's relationships with its historical neighbours in Asia. Perhaps, the most fateful, was the Partition of India and the emergence of hard frontiers in the form of a hostile and revanchist Pakistan to the west and east of India. As a result, for the first time in its 4000-year history, India found itself physically separated and shut out from its historical, cultural and commercial surroundings to the north-west of India and vice versa.

Viewed from this perspective, it can be argued that the 20th century has been a decided aberration in the pattern of India's historical and traditional relationship with the outside world.

On the economic side, the historical experience of the British East India Company and imperialism in general, left India suspicious of foreign trade. Post-Independence, this found expression in efforts to build a self-reliant economy wary of integration to the world economy. The model stood us in good stead for a while. It helped set up a technical and industrial base, and turn from a food-deficit to a food surplus country. Self-reliance gave us self-confidence.

While colonialism disrupted our traditional historic links, the Cold War delayed their restoration. In retrospect, this was an era of shadow boxing; a hall of mirrors. The breakdown of the Berlin Wall and the end of the Cold War liberated India (and much of the developing world), from the false problematic of 'East' and 'West'. It provided an opportunity to recover our

traditional, historical reflexes atrophied in the chilly theatre of Cold War, and rediscover our real interests.

The end of the Cold War coincided with a balance of payments crisis, the liberalization of the Indian economy and the phenomenon of globalization. The revolution in information and communications technologies offered us the opportunity to transcend the limitations imposed by colonialism and its legacy of hard frontiers of the 20th century. Educated sections of our society found themselves in a good position to take advantage of globalization, though in parenthesis, it is ironic that the shrinking of the world as a result of technology and communications should be accompanied by an evolution of border controls that all but chokes travel and movement for the peoples of the developing world.

Over the last two decades, India has recorded an average annual growth of around 6% and is now the fourth largest economy in the world in terms of purchasing power parity. Foreign exchange reserves have gone up from US \$ 1 billion in 1991 to US \$ 140 billion today. The size (GDP) of the economy has since doubled. We hope to redouble it by 2010 by a sustained annual growth of around 8%. Several recent studies suggest that India will be one of the three largest economies in the coming two-and-a-half decades.

Our demographic trends and our human resource base constitute two of our strongest assets. Our 'over-population' liability of yesterday is now an asset. Some 550 million Indians out of our billion-plus strong population are below the age of 25. The middle class of over 300 million is rising steadily. We have the second largest reservoir of trained manpower. Our universities and centres of higher education turn out over 2 million under-graduates every year. Our IT workforce is 650,000 today, and will exceed 2 million by 2010.

Our capabilities in high technology areas, including developing our own super-computers, complete nuclear fuel cycle facilities and placing our own satellites in orbit, are now proven. India's comparative advantage in knowledge-driven areas of economic activities has made it attractive both for outsourcing IT-enabled services and as a Research & Development hub. 190 out of the 500 Fortune companies already outsource to India.

We hope to maintain our comparative advantage in areas well into

this century. The IT segment of the Indian economy itself is expected to grow from US \$ 1.5 billion in 2002 to US \$ 17 billion in 2008. We are trying to replicate this achievement in areas of biotechnology, biogenetics and pharmaceuticals.

It would be prudent to bear in mind that we have achieved what we have achieved within a largely unfavourable social, economic, technological and international environment, and mostly on our own effort, without the benefit of special relationships and access to markets that most other major economic powers, other than China, have had.

But notwithstanding these achievements and prospects, the economic challenges are many and daunting, and remain: unconscionable levels of poverty; wide income and economic disparities; regional imbalances; a large and largely backward rural and agricultural sector; infrastructure constraints; chronic shortage of energy resources; and lack of adequate access to markets in the region and beyond. India's share of world GDP is less than its share of the world population by 9 per cent.

Nevertheless, seen in the long term, even our relative backwardness can be turned to our advantage. As we address the high levels of poverty and illiteracy in India, given our demographic profile and economic trajectory, there is a good chance that long after other countries plateau economically, we will still be growing.

I would like to set out some of our key strategic priorities against this background. These can be addressed in terms of what we can call, to take a leaf from the Chinese book, the 'Four Deficits': a historical deficit; a security deficit; an economic deficit; and a global decision-making deficit.

One of our primary strategic challenges is to restore our traditional linkages with the region and re-integrate ourselves to our immediate and extended neighbourhood, especially the region west of India to Central Asia and beyond, what I have called a strategic historical deficit.

Advances in information and communications technologies have helped us overcome physical barriers to mass culture and access to IT-enabled business, but land-routes remain the primary medium of trade with our neighbours to the West and East. We would like to see India well connected with Afghanistan and beyond in the north, and Bangladesh,

Myanmar and beyond to South-east Asia, taking advantage of India's huge market through a network of roads, trade and transport corridors, gas pipelines, tourism and communications etc in a zone of co-prosperity.

With this in mind, we have been active in trying to take advantage of arrangements like SAARC, ASEAN, BIMST-EC, the Mekong-Ganga Initiative, and trilateral cooperation with Thailand and Myanmar. We realize that not all our neighbours may be comfortable with this vision and India's place in it. Bearing that in mind, we have been ready to enter into normal, preferential, asymmetrical and free trade and development arrangements with those of our neighbours who are willing, provided of course our security concerns are not compromised.

The biggest challenge to this vision comes of course from our western neighbour. Our quest for a return to the grain of historical contacts to India's north-west, gives us a vested interest in peace with Pakistan. It is not an accident that virtually every major initiative for peace, be it Simla, or Lahore or Agra, or Srinagar, has come from India.

There have been several positive developments in our relations with Pakistan over the last one year-and-a-half. The ceasefire of November 2003 is holding. The composite dialogue has entered a second round. People-to-people exchanges have acquired a momentum of their own. The Srinagar-Muzaffarabad bus service started despite terrorist threats and attacks.

At the same time, we cannot still say for sure that the peace process is entrenched. The infrastructure for terrorism in Pakistan and Pakistan-controlled territory, remains. We do not hear of operations like the ones being conducted by Pakistan, in cooperation with the US against the war on terrorism at its western frontiers, towards its eastern borders with India. More importantly from the point of view of our strategic interests, trade and transit with and through Pakistan remain highly circumscribed. It is only when India and Pakistan resume direct, bilateral trade and transit, that there will be a vested interest in peace in both countries.

Trade and transit with Pakistan would be good not only for our two countries but also Afghanistan and Central Asia. India has had a traditional and long-standing relationship with Afghanistan. Today, Afghanistan needs economic support, markets and assistance. India has committed more than US \$ 500 million to reconstruction in nearly every region and province in

Afghanistan. India has also made modest contributions to the Afghan National Army. India could do much more, if normal relations and trade and transit through Pakistan could flourish. We are concerned about signs of the resurgence of the Taliban, and the growth in drug cultivation in, and trafficking from, Afghanistan.

The restoration of traditional links with Central Asia is not important only for the sake of trade and economy. Traditionally, Central Asia has been at the crossroads of trade and culture, a major hub in the Silk Route. This is the region through which Buddhism spread as far as Mongolia and Korea. It is also the region through which Islam enriched India. Today, it is a theatre in the battle between fundamentalism and tolerance, extremism and moderation in Islam with fundamentalist outfits actively trying to destabilize the secular Governments of the region.

India has a secular polity that shares with liberal democracies, values of democracy, fundamental and religious freedoms. It is, by virtue of its inherited historical character, composition, size, population, economy and military strength and experience, a natural bulwark against fundamentalist extremism and a factor for peace and stability in Asia. By nature, India is not inclined to export ideologies, even ideologies it believes in and follows. India would rather promote democracy in the region by precept and example. Freer traffic between India and Central Asia would be a factor in favour of moderation and democracy there.

Beyond the immediate region, India has vital interests in the Gulf and South-east Asia. The Gulf forms parts of our strategic neighbourhood and important source of energy, home to over the 3.5 million Indians, and a major trading partner. Parts of it are also a source of ideology, funding and recruits to the cause of Islamic radicalism and terrorism. Iraq remains volatile. Iran's nuclear intentions and the response of the international community have introduced a new factor of uncertainty in an already highly disturbed region.

South-east Asia too plays an important role in our strategic perceptions as a dynamic partner in our growing economy and on account of our ethnic and cultural ties. We also have a vital interest in preserving the traditions of peaceful coexistence and syncreticism amongst their diverse ethnic and religious communities against the intrusion of dogmatic, alien, fundamentalist and extremist religious tendencies.

Let me now turn to our security deficit. 21st century India faces peculiar security challenges. We live in a dangerous neighbourhood. Few other countries in the world face the full spectrum of threats to their security as India does, from low intensity conflicts to an unfriendly nuclearized neighbourhood. Our response to such an environment has been anything but militaristic.

First, India is located at the centre of an arc of fundamentalist activism, terrorism and political instability between North and East Africa and South-east Asia that has witnessed some of the most dramatic acts of terrorism over the last decade, from the US embassy bombings of Nairobi and Mombasa, through incidents in Morocco, Egypt, Turkey, Saudi Arabia, Bali and Jakarta, not to forget the Bombay blasts of 1992. In the catalogue of terrorist events, it is not often realized that, the Bombay blasts were, arguably, the original act of mass terrorism, eerily similar in modus operandi and targets to 9/11 in its synchronized, serial character and targeting of state and economic symbols.

Second, though innately pacifist through its history, India has, since independence, faced aggression and conflicts with its two largest neighbours. At least one has been openly hostile and adventurist through this entire period. There are unresolved territorial and boundary issues with the other. Talks have commenced with both, but the situation is not yet such that we can lower our guard.

Third, India faces on a daily basis, a proxy war from across its borders using terrorism and local insurgencies. There are also spillovers of internal conflicts in neighbouring countries and threats to internal security from extremist movements from within.

Fourth, India is faced with an unfavourable nuclear and missile environment. Apart from two declared nuclear weapon states with whom we have had a history of aggression and conflict, and proliferation emanating from, and to, the region, we have to contend with the possibility of WMDs falling into the hands of terrorists and non-state actors in our vicinity.

Fifth, we have to contend with instability and failing states in our neighbourhood providing the breeding ground for terrorists and other non-state actors.

Last, the maritime security environment requires more attention. As

already indicated, the Indian Ocean region from East Africa to South-east Asia is an area busy with fundamentalist, terrorist, and militant, separatist or extremist organizations, and criminal syndicates involved in trafficking in drugs, arms and humans, and piracy. 60,000 ships, and much of the energy from the Gulf to East Asia, transit through the Straits of Malacca every year.

It has important ports and three vulnerable choke-points at Bab-el-Mandab, the Persian Gulf and the Malacca Straits. As the recent tsunami and countless cyclones of the past have shown, it is also a region prone to disasters.

These security concerns are not unique to India. To some degree, most nations face them in some degree or the other. But few face them all together like India does. But what they underline is a convergence of our security concerns with those of the international community at large, and with the US in particular, over fundamentalist activism and terrorism; proliferation of weapons of mass destruction; security of shipping, energy and the sea-lanes in the Indian Ocean region; and peace and stability in Asia. In all these, India finds itself at the front-line.

We do not have the time to dwell on each of these at any length. But I would like to touch briefly on our approach to, and our role, in maritime security in our region. Our approach to it is essentially cooperative. We now have coordinated maritime patrolling arrangements with Indonesia, Thailand and Sri Lanka. Our Navy has been providing hydrographic assistance to Indonesia, Seychelles and Mauritius, and maritime security cover for Summit Conferences in Mozambique. The Coast Guard and Navy have been active in anti-piracy, disaster relief, and environmental management and response operations. The Navy has also been conducting joint exercises in the Indian Ocean with the US, France, Singapore, Russia and Oman amongst others. In 2002, we provided escort operations for high value US naval assets passing through the Malacca Straits. The Indian Navy holds the MILAN Naval Exercises off Andaman and Nicobar islands every two years. On the security of Malaccas, we are comfortable with its management by the littoral states and would be happy to join a regional initiative, if necessary, and if the littoral states are comfortable with our participation.

I would like to highlight three aspects of our economic deficit. First, the energy deficit. India is a heavily energy deficient country. Of all the variables that could hinder India's economic progress, energy scarcity and

dependence are probably the most serious. 70% of our crude oil is imported. Per capita energy consumption presently is only 1/5th of the world average. Considering a high growth rate of around 8% of GDP per annum in the coming years, growth of oil demand is projected to be 6% per annum. If so, dependence on oil imports could rise from 70% to 80-85% over the next two decades.

It is therefore imperative for us to look for cost-effective and long-term alternatives to meet our energy requirements. Indian oil companies are currently actively involved in a search for energy in the form of oil and gas fields, pipelines, LNG, and other new and non-conventional sources. But most hydrocarbon resources underline our dependence on limited reserves, and others, for this critical requirement. They also carry scope for avoidable strategic energy rivalries.

If indeed India is to realize its economic potential, India needs alternative sources of energy. Foremost among those available, is nuclear energy. India has indigenously developed technologies for nuclear energy. But, as in many other areas of dual use or high technology, India faces serious impediments of access to materials and components. India's nuclear tests were a response to an increasingly untenable security environment. We have already announced a restrained and responsible doctrine for its role in our security. Our nuclear energy and security programmes are separate. Restrictions against India's nuclear energy programme are anachronistic. US and India have now commenced a dialogue through the NSSP and the energy dialogue to address some of these restrictions. Their easing will impact favourably on our economic prospects over the next 2-3 decades.

The second constraint is a technology deficit. Technology control regimes going back to the Cold War, and restrictions on transfer of dual use, nuclear and space technology imposed after our first atomic test in 1974, remain. One of the reasons for the economic gap between India and other comparable countries is the restrictive and discriminatory technology regimes imposed against India for 30 years. If India is to play its part as an engine of growth and factor of stability in Asia, it should be in the interest of the US and others that such regimes are liberalized as quickly as possible.

The third is the agricultural deficit. Agriculture is still India's chief livelihood. From a chronically famine-prone and food deficit country, India

has moved to becoming first self-sufficient, and now a food exporting country. Yet, most agriculture in India is still that of subsistence farmers. While they do not have the benefit of access to, and integration with, the world economy, they suffer from the vagaries of both nature and the globalized market.

This is an area where the interests of the rich countries and their farmers, both traditional and commercial, diverge. We are trying to address the issue of a fairer deal to the problems of this vast agricultural sector, in the WTO. Unless this issue is addressed as an issue of livelihood that affects 600 million people in India alone, we run the risk of a schizophrenic economy where one half prospers from the globalization, and the other suffers. This would be neither socially nor politically sustainable.

The last issue that I would like to touch on is the global decision-making deficit, or India's place in the major decision-making bodies of the world. If globalization is inexorable, multilateralism has to be its life sustaining mechanism. The world has changed dramatically since the constitution of the United Nations and its present composition of Security Council members. In the interim, the bipolar, confrontationist edifice of the Cold War has collapsed. The Cold War structure of global governance stands dismantled, but an enduring replacement that can address the economic and security challenges of our times and the future, is not in place.

As a new order struggles to be born, the obvious reality in our increasingly globalized world is the growing interdependence among nations. No one country, whatever its economic, technological, and military eminence, can take on the exclusive responsibility of ensuring peace and order in the whole world. In Asia alone, new powers, like China and Japan, have emerged. The European Union may have suffered a jolt, but the idea remains powerful. Russia may be facing problems of transition, but is too important to ignore. A unipolar world is clearly not a sustainable proposition in the long run. India's vision of a multipolar world is one of partnership among the nations. It does not visualize the creation of poles in opposition to one another. It has sought geometries across continents, like the India-Brazil-South Africa (IBSA) Forum, the Russia-China-India consultations, the Group of Four for United Nations Security Council reform. The early reform and reinvigoration of the UN system to reflect changed ground realities acquire a certain urgency in this context. By any criteria — size, population, economy, military power, role in international peacekeeping, responsibility in international affairs, future prospects, etc. India is a natural candidate.

I have today, highlighted those factors that prevent India from realizing its potential to contribute to international peace, stability and development. Asia hosts a diversity of political experiences and experiments ranging from monarchies and military dictatorships, to nascent and established democracies. The region also faces the menace of terrorism and trafficking in, and proliferation of arms and drugs. In the midst of this, India stands as a bulwark against fundamentalism and extremism, a centre of economic gravity, a beacon of democracy despite challenges of human diversity, poverty and economic disparity, a bastion of stability, and a symbol of peaceful coexistence and non-violence.

India is not an aggressive country; it does not harbour any territorial ambitions; it does not espouse or export any particular ideology, except the spirit of peace, co-existence and tolerance. It has a strong military only to defend itself and protect its territorial integrity. It is one of the world's oldest civilizations, but a new nation; the largest democracy of a bewildering mix of people and populations that has learnt to accommodate and assimilate over the ages. It is a country with the second largest population of Muslims in the world, who have suffered loss of political power to the Europeans and partition after that, to embrace a secular constitution. It does not provide recruits to a global 'jihad'. Today, when a more mobile world looks for models of co-existence, where minorities live abroad as immigrants or expatriates, India's historical experience of co-existence could be a valuable reference point.

Which brings me to my last point this evening, India-US relations. The US and India have often been referred to as 'estranged democracies'. Perhaps history itself is to blame. It is a striking historical coincidence that India came under the grip of colonialism just as the US found its independence. When India gained independence, the world entered the period of the Cold War. As if destined to ignore each other, the US and India looked in different directions. Today, more than ever, the US and India realize that they share common values and security concerns; and that there is an objective convergence of interests. It is crucial that India and the US work together with the international community to find a new order for the 21st century.

The United States has the richest collection of strategic think tanks in the world. We are here in one that has made a big contribution to the

literature of international relations, and the practice of conflict resolution. I look forward to a closer partnership not only at the level of government, but also, scholars, thinkers and people in general.

Thank you, ladies and gentlemen.



043. Interview of Prime Minister Dr. Manmohan Singh with CNN.

Washington, July 20, 2005.

{Interview conducted by Wolf Blitzer of CNN} BLITZER: Prime Minister, welcome to the United States. Thanks very much for joining us on CNN.

Manmohan Singh, Indian Prime Minister : Thank you very much for having me on CNN.

Blitzer : Let's talk about the nightmare, the nuclear nightmare. How worried are you about the possibility of a nuclear exchange between India and Pakistan?

Singh : I think the possibilities of such a development are grossly overstated.

Blitzer : Overstated?

Singh : Overstated. Both our countries are nuclear powers. And as far as we are concerned, we have an impeccable record of not in any way contributing to proliferation of these nuclear technologies.

Blitzer : Are you committed to a non-first-strike policy?

Singh : Yes, that is very much our policy.

Blitzer : Pakistan has not committed to that, though.

Singh : That's certainly true. But I have often felt that outside India and Pakistan, the possibilities of a nuclear clash between India and Pakistan are somewhat exaggerated.

Blitzer : Are you worried, though, that there could be a change of government in Pakistan, that President Musharraf, who has been working more closely with you recently, that there could be a coup, there could be a change that could escalate these tensions?

Singh : Well, the security of assets which are under control of Pakistan, I think does worry us. And I hope that credible solutions can be found today with that problem.

Blitzer : What specifically worries you about the security of the nuclear assets in Pakistan?

Singh : Well, if they get into the hands of the jihadi elements, that could pose a serious problem.

Blitzer : And is that possible, do you believe, given what you know? Obviously you watch the situation very closely.

Singh : Well, I'm not an astrologer (ph), but I hope that this does not happen. And I pray that it will not happen.

Blitzer : Are you concerned -- as you call it the jihadi or the Islamist fundamentalists, the extremist elements in Pakistan could take charge?

Singh : Well, there is always a danger. And we would like Pakistan to emerge as a moderate Islamic state, and we have a vested interest in the stability and progress of Pakistan.

Blitzer : Is it your opinion that Osama bin Laden and al Qaeda still have a base, a significant base in Pakistan?

Singh : Well, I think there's no doubt about that.

Blitzer : Where?

Singh : Well, in the tribal belt of the northwest frontier province of Pakistan, the al Qaeda elements are quite active. And also, the whole infrastructure of the *madrasas* in Pakistan, the belief that these *madrasas* can shift away from the teaching of fundamentalism to more modern discipline I think has not materialized.

Blitzer : The *madrasas* are the religious seminaries and schools in Pakistan.

And do you -- what are you saying, that these *madrasas* are training grounds or spiritual centers for al Qaeda operatives?

Singh : Well, I think -- I'm not saying that they are deliberately doing it, but I think jihadi elements have taken advantage of these schools, and they can take greater advantage of that phenomenon in years to come.

Blitzer : There are more Muslims in India than there are in Pakistan. I think there are more Muslims in India, with the exception of Indonesia, than any other country in the world. You really haven't had a problem with Islamists or jihadi terrorists.

Singh : Well, I take pride in the fact that, although we have 150 million Muslims in our country as citizens, not one has been found to have joined the ranks of al Qaeda or participated in the activities of Taliban.

Blitzer : Why is that?

Singh : This is because India is a functioning democracy. We are a secular state where all sections of the communities, regardless of religion, caste and creed, they may belong to -- they can participate in our mainstream national activities. Being a democracy, being a secular democracy where all religions are free to practice their respective faiths without fear, without favor. I think that's something which has prevented that sort of eventuality.

Blitzer : Do you trust President Pervez Musharraf of Pakistan?

Singh : Well, I have had two important meetings with President Musharraf, and he and I both have committed our two countries to make the peace process between India and Pakistan irreversible.

Blitzer : So the answer is yes, you do trust President Pervez Musharraf?

Singh : Well, I do trust. But I think there is an old saying of President Reagan: trust and verify. And I sincerely hope that the commitments that Pakistan has made, that the territory of Pakistan will not be allowed to be used for planning terrorist acts against India, that commitment is honored in letter and in spirit. And we have some worries on that score, that the infrastructure of terror is largely intact in Pakistan.

Blitzer : It looks like U.S.-Indian relations right now, in the aftermath of your visit here to Washington, are very strong, very solid, better than they've

been in a long time. And yet U.S.- Pakistani relations are also very good right now, especially in the aftermath of 9/11, what happened here in the United States. Is this -- is that your assessment, that there can be good U.S. relations with both India and Pakistan?

Singh : Well, we are not against the United States having good relations with Pakistan. As I've said, a strong, stable, prosperous Pakistan is in our interests. If -- Pakistan admits the jihadi elements are under control is in our interests. So please, make no mistake, we welcome stronger relations between the United States and Pakistan. And I hope that the United States' influence can be exercised to ensure that the commitments that Pakistan has made about the control of terrorist activities, they are honored in letter and in spirit.

Blitzer : Since India violated the Nuclear Nonproliferation Treaty, there are some members of the U.S. Congress who don't want to see India right now rewarded for violating the NPT, the Nonproliferation Treaty.

Singh : Well, we didn't violate it. We were never a member of the NPT.

Blitzer : But in effect -- in effect -- in effect, you went ahead, you tested a nuclear bomb.

Singh : But we were never a signatory to the NPT.

Blitzer : But should India be rewarded now, in effect? Let me read to you what Congressman Ed Markey said the other day. He said, "We are playing with fire by picking and choosing when to pay attention to the existing Nonproliferation Treaty." There was a Nuclear Nonproliferation Treaty. India never signed it, but went ahead and tested beyond that. Should India be rewarded now with nuclear technology from the United States?

Singh : Well, there's no question of dividing (ph) us. The plain fact is that we had nuclear capabilities. But we didn't go the road of testing nuclear weapons at a time when there was no NPT. Now, we have a situation in our region, despite all the regimes that are in position, our region has seen reckless proliferation of these sensitive technologies. So we had to take some defensive action in the interest of our national security. You know what I am talking about, the activities of North Korea; the activities of other industry and the A.Q. Khan phenomena. So therefore our defensive action of developing nuclear weapons was a response to a situation where reckless

nonproliferation (sic) was taking place in our region. It poses no threat to anybody else. We have an impeccable record of not contributing in any way to the unauthorized proliferation of these sensitive technologies. And therefore, I think the world must acknowledge this exemplary behavior of our country. Our nuclear weapons are totally under civilian control. We have a democracy. And that democratic structure ensures that these weapons cannot be misused.

Blitzer : Let's shift gears briefly and talk about U.S.-Indian economic relations. What do you say to Americans who are concerned about American jobs, good-paying jobs, in effect, going -- being exported to India?

Singh : Well, let me say that if you are referring to outsourcing and all that goes with it, it is not a one-way street. Indian enterprises benefit, but so do the U.S. enterprises. The fact that outsourcing opportunities exist, the U.S. companies are able to procure goods and services at much lower cost. This increases their competitiveness. That increases their ability to compete against their competitors both in the U.S. market and in third countries. So, if you look at the picture in a holistic way, it is a win/win situation. India gains, but also the U.S. competitiveness also goes up in the process.

Blitzer : That's in the big picture. But in the specific and the smaller picture, there are Americans who are losing their jobs, because those jobs are moving to countries like India.

Singh : But one has to look at the big picture. We are talking about two economies as diverse as big as India and the United States. If we were to look at every I and every T, I don't believe I think we could -- I think we could develop a relationship which befits our capabilities and our needs and our aspiration.



- 044. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on threats to International Peace and Security caused by terrorist acts at the Security Council.**

New York, July 20, 2005.

Please See Document No. 710.



- 045. Statement by A. Gopinathan Deputy Permanent Representative at the UN at the Informal consultations of the Sixth Committee on draft Comprehensive Convention on International Terrorism.**

New York, July 25, 2005.

Please See Document No. 712



- 046. Press release of the Prime Minister's Office on the first meeting of the Energy Coordination Committee.**

New Delhi, August 6, 2005.

Prime Minister Dr. Manmohan Singh chaired the first meeting of the newly created Energy Coordination Committee. Senior members of the Union Council of Ministers dealing with energy sector, senior officials and economic policy advisors participated in the 2-hour meeting here today.

In his opening remarks the Prime Minister said that in the light of the continuing rise of international oil prices India must diversify its energy supplies, manage energy resources more economically and pursue rational pricing policies. "We have to ensure that we build up adequate energy security to insulate the economy from any future shock." The PM said.

Emphasising the importance of tapping all sources of energy, including petroleum, natural gas, coal, biomass, solar, hydro and nuclear, the Prime Minister advised ministries to ensure that adequate investments are made keeping in mind the expected growth in demand arising out of higher rate of economic growth and the modernization, urbanization and commercialization of economic activity.

The Prime Minister said that India must invest in nuclear energy and the recent steps he has taken to end India's global isolation in this regard should help the country increase the share of nuclear energy in the overall energy mix of the economy. Dr Anil Kakodkar, Secretary Department of Atomic Energy, also emphasized the need for India to import uranium and invest in uranium mining to meet the requirements of nuclear power generation. He drew attention to the fact that the price of domestically mined uranium is 4 to 5 times that of imported uranium. Several participants complimented the Prime Minister for successfully concluding a deal with the United States that would enable India to import uranium for nuclear power projects.

The ECC discussed a strategy paper on the energy sector prepared by the Planning Commission and a paper on coal and gas availability for power generation prepared by the Cabinet Secretariat. The Prime Minister instructed the Cabinet Secretary to resolve all pending inter-ministerial issues to enable improvement in availability of gas and coal for power generation. He instructed the ministries of power, coal, petroleum and natural gas to ensure close monitoring of all on-going projects to ensure that energy supply from existing investments is increased to bridge the gap between demand and supply.



047. Statement by Chairman, Atomic Energy Commission and Leader of the Indian Delegation Dr. Anil Kakodkar at the International Atomic Energy Agency 49th General Conference.

Vienna, September 28, 2005.

Mr. President,

Kindly accept congratulations on behalf of my Government and my own behalf on your election as President of the 49th General Conference. I am sure, under your able leadership and with the support of your team and the Secretariat of the Agency, this General Conference will be able to accomplish the tasks before it.

I take this opportunity to welcome the entry of Belize to the membership of the IAEA.

Let me also use this occasion to once again congratulate Dr. Mohamed ElBaradei on his re-appointment as Director-General, IAEA for another term. We wish him all success and as in the past, we will continue to work in close cooperation with him in achieving our collective objectives in accordance with the statute of the Agency.

Mr. President, the issues related to global climate change, sustainability of energy resources while meeting the ever increasing energy needs to support economic development and concerns regarding escalating trends in fuel prices, point to the inevitability of nuclear power. Global nuclear renaissance is now a reality.

India which constitutes one-sixth of the global population is on the rapid economic growth path. A recent study has revealed that we will need to augment our electricity generation nearly ten-fold in next four to five decades. This would be a significant fraction of global electricity generation. A large fraction of this energy coming from nuclear power would be of immense benefit, in the context of environment and sustainability concerns, for India as well as for the rest of the world. Nuclear energy is thus an important and inevitable option for India. As a part of realizing this objective, we have been pursuing a self-reliant indigenous nuclear power programme. This programme is tuned to realize our long-term energy requirements

utilizing our vast thorium resources. This is of crucial importance to us as our uranium resources are modest. In this context, let me quote from the statement of our Prime Minister made in our Parliament on 29th July, 2005 “Our nuclear programme in many ways is unique. It encompasses the complete range of activities that characterise an advanced nuclear power including generation of electricity, advanced research and development and our strategic programme. Our scientists have mastered the complete nuclear fuel cycle. The manner of the development of our programme which has been envisaged is predicated on our modest uranium resources and vast reserves of thorium. While the energy potential available in these resources is immense, we remain committed to the three-stage nuclear power programme, consisting of Pressurised Heavy Water Reactors (PHWRs) in the first stage, fast breeder reactors in the second stage and thorium reactors in the third stage. These would need sequential implementation in an integrated manner. Our scientists have done excellent work and we are progressing well on this programme as per the original vision outlined by Pandit Jawaharlal Nehru and Dr. Homi Bhabha. We will build on this precious heritage.

Energy is a crucial input to propel our economic growth. We have assessed our long-term energy resources and it is clear that nuclear power has to play an increasing role in our electricity generation plans. While our indigenous nuclear power programme based on domestic resources and national technological capabilities would continue to grow, there is clearly an urgent necessity for us to enhance nuclear power production rapidly. Our desire is to attain energy security to enable us to leapfrog stages of economic development obtained at the least possible cost. For this purpose, it would be very useful if we can access nuclear fuel as well as nuclear reactors from the international market. Presently, this is not possible because of the nuclear technology restrictive regimes that operate around us.”

While addressing at the Golden Jubilee Function of the Department of Atomic Energy (DAE) and the launch of construction of the Prototype Fast Breeder Reactor (PFBR) at Kalpakkam on 23rd October, 2004, our Prime Minister had said:

“India is a responsible nuclear power. We are fully conscious of the immense responsibilities that come with the possession of advanced technologies, both civilian and strategic. While we are determined

to utilize our indigenous resources and capabilities to fulfill our national interests, we are doing so in a manner that is not contrary to the larger goals of nuclear nonproliferation.

India will not be the source of proliferation of sensitive technologies. We will also ensure the safeguarding of those technologies that we already possess. We will remain faithful to this approach, as we have been for the last several decades. We have done so despite the well-known glaring examples of proliferation, which have directly affected our security interests.

The limitations of the present non-proliferation regime should not be further accentuated by artificial restrictions on genuine peaceful nuclear applications. Technology denial and closing avenues for international cooperation in such an important field is tantamount to the denial of developmental benefits to millions of people, whose lives can be transformed by the utilization of nuclear energy and relevant technologies.

We call upon other advanced nuclear powers, and all those who have a stake in the future of nuclear energy, to come together for a constructive dialogue to evolve more effective measures that would stem the tide of proliferation without unduly constraining the peaceful uses of nuclear energy. Constraining those who are responsible, amounts, in effect, to rewarding those who are irresponsible. The international community must face up to the implications of this choice. We in India are willing to shoulder our share of international obligations provided our legitimate interests are met. India has actively embraced globalisation. There is no reason why nuclear energy production should be an exception."

We are happy that we are now feeling the winds of change. We welcome the statements of USA and France on this podium and the positive and cooperative approach of several key countries in this regard. We look forward to a rapid growth in nuclear power generation capacity in India based on full international civilian nuclear cooperation as we continue our efforts to develop appropriate indigenous technologies towards realization of the ultimate goal of large-scale utilization of thorium for energy production not only in the form of electricity but also as hydrogen. We expect that the unique case of India as a responsible country with advanced nuclear

technologies developed in a self-reliant manner, its large-scale energy requirements which have ramifications in terms of protecting the global climate, ensuring sustainability of energy resources and restraining escalating spiral of fuel prices, its impeccable record in terms of non-proliferation of WMD & related technologies and adherence to all its international commitments would soon result in lifting of all restrictions on India. Predicated on our obtaining the same benefits and advantages as other nuclear powers, consistent with our national policy of maintaining the integrity of our three stage nuclear energy programme, and ensuring full autonomy of our nuclear programme of strategic and R&D significance, India would be prepared to take reciprocal steps in a phased manner in keeping with the responsibilities and obligations of an advanced nuclear power with the objective of full civilian nuclear energy cooperation with international partners. Since some of these steps will also include safeguards on facilities of a civilian nature, selected by India on a voluntary basis, we will, at the appropriate stage, approach the IAEA in this regard.

Mr. President, we would like to see a rapid increase in nuclear power generation capacity in India well above the planned programme of achieving 20,000 MWe by the year 2020. This capacity could consist of imported Light Water Reactors (LWRs) which run on imported fuel, domestic Pressurised Heavy Water Reactors (PHWRs) which run on imported fuel, domestic PHWRs which run on domestic fuel and Fast Breeder Reactors. Progressively power reactors running on thorium would get added to this list.

Let me now report some of the recent developments in India. With the PHWR programme well on its growth path and having established comprehensive expertise in Fast Breeder Reactor (FBR) Technology, we have now embarked on the development of FBR - based second stage of our programme with the start of construction of the 500 MWe Prototype Fast Breeder Reactor launched in October last year. Our studies indicate that we should be in a position to support around 500 GWe power generation capacity based on FBRs with plutonium bred from indigenously available uranium. We are certain that Fast Breeder Reactors by virtue of their crucial place in sustainable development of nuclear energy would come centrestage worldwide in a couple of decades. The first 540 MWe PHWR unit at Tarapur has commenced commercial operations about 7 months ahead of schedule. Unit – 1 of Kakrapar Atomic Power Station has been operating continuously

for more than a year. This is an Indian record. The indigenously developed unique Pu-rich mixed carbide fuel used in the Fast Breeder Test Reactor (FBTR) has performed extremely well crossing a burn-up of 148,000 MWd/t, without a single fuel pin failure. One of the important achievements during the year was closing of the fuel cycle of FBTR. The FBTR fuel discharged at 100,000 MWd/t has been successfully reprocessed. This is the first time that the Plutonium - rich carbide fuel has been reprocessed anywhere in the world. As a part of development of higher burn-up fuel for PHWRs 25 MOX bundles were successfully irradiated to a target burn-up of about 11,000 MWd/T. This year we have introduced additional 25 MOX fuel bundles in one of our PHWRs.

Construction of five PHWRs is progressing on schedule. These along with the two 1000 MWe VVERs presently under construction at Kudankulam in collaboration with Russian Federation would contribute 3420 MWe additional carbon-free electricity to the Indian grids in about 3 years time.

We have taken up development of sites for new nuclear power units and have commenced work to identify additional sites for further expansion of the programme.

The design of Advanced Heavy Water Reactor, an innovative Indian design aimed at moving further on thorium utilization route is under regulatory review. We intend to proceed further to take up its construction after the review process is completed. Work on development of a Compact High Temperature Reactor with the aim of producing hydrogen, which could be the most important energy carrier in the future as well as development of Accelerator Driven Systems that could sustain growth with thorium systems and enable incineration of long lived radioactive wastes is progressing well. The development of laser-based Uranium-233 clean up system, a crucial element in thorium utilization programme has made significant progress. The Steady State Superconducting Tokamak – SST-1 would soon see the first plasma shot. We are looking forward to joining the ITER project as a full partner.

The safety record of our nuclear and radiation facilities continues to be excellent. During 2004, we had only 1 event at level-2 and 4 events at level-1 of the International Nuclear Event Scale (INES).

En masse coolant channel replacement and other safety upgradation

jobs in the Madras Atomic Power Station Unit-1 are nearing completion and the Unit is expected to be back in operation before the end of this year. A comprehensive safety review of the Tarapur Atomic Power Station which is in operation since 1969 has been completed by our regulatory body and implementation of the identified ageing management and safety upgradation jobs will be taken up shortly.

On 26 December 2004, the Eastern and Southern coasts of India were hit by a tsunami. Unit-2 of the Madras Atomic Power Station which was in operation at this time experienced minor flooding in its sea water pump house due to tsunami - induced surges and was shut-down. Apart from this, there was no other impact on the plant and the Unit could be brought back to operation within one week after review of the incident and clearance by the regulatory body. The excavated pit at the Prototype Fast Breeder Reactor construction site got flooded due to sea water ingress on account of the tsunami. The pit was dewatered and cleaned and, after incorporating necessary corrective measures, construction work has been resumed. The tsunami did not have any impact on the construction site of the two VVER-1000 NPPs.

In the area of accelerators and lasers, the second Indian Storage Ring, the 2.5 GeV Synchrotron Radiation Source – Indus-2, has been fully assembled and integrated. All sub-systems have been made operational and initial experiments to store 600 MeV electron beam in the ring have been commenced. Laser - based coolant channel cutting technology has been developed and successfully tested on one of the channels in a PHWR. This development will greatly bring down the man-rem consumption during the planned en masse coolant channel replacement work in the Narora Atomic Power Station reactors.

There has been a steady progress in expanding the benefits of atomic energy for the society. Several radiation processing plants based on Cobalt-60 are under construction in private and cooperative sectors. Demonstration facilities for radiation processing of food and materials using electron beam accelerators are also in advanced stage of construction. An Advanced Centre for Treatment, Research and Education in cancer (ACTREC) has been set up with the specific mandate to undertake on mission-oriented basis applied and translational research on cancer prevalent in Indian subcontinent. It will also apply cutting edge technologies in the treatment of cancer in

partnership with industry and leading institutions in India and abroad and conduct educational programmes and undertake human resource development in different disciplines of oncology. To meet the growing demand of Teletherapy machines to combat cancer, an indigenously designed and developed state of art Co-60 Teletherapy machine – BHABHATRON has been commissioned. We feel this product would be very useful for fighting cancer in the developing world. Indian experts are actively involved in the Agency's "Programme of Action for Cancer Therapy" (PACT).

The International Atomic Energy Agency is playing a vital role in the peaceful uses of nuclear science and technology in a safe and secure manner. As in the past, we have been working in close partnership with the Agency. Our experts are involved actively in the Agency's international project on Innovative Nuclear Reactors and Fuel Cycles (INPRO). India has committed itself to carry out an INPRO Joint Study for an assessment of an innovative nuclear energy system based on high temperature reactors for the production of hydrogen using the INPRO methodology. As a part of the INPRO programme, India is also participating in the joint study on Innovative Nuclear Fuel Cycles based on Fast Reactors with closed fuel cycles. We look forward to the initiation of phase – 2 of INPRO.

In the area of knowledge management, our experts take active part in the Agency's programme such as Asian Network for Higher Education in Nuclear Technology (ANENT) and in the recently conducted WNU's first Summer Institute of Fellows having an intense 6-week educational experience featuring some of the international community's foremost leaders in science, engineering and environment.

Nuclear technology is knowledge intensive. Development of individuals is central to knowledge management. Nuclear industry needs well-trained human resources and strong industrial infrastructure for its exploitation. High importance has been given to Human Resource Development, right from the beginning of our programme. Recently our Prime Minister has announced the setting up of Homi Bhabha National Institute as a Deemed University to provide a platform for accelerating the pace of basic research as well as translation of basic research into development of advanced nuclear technologies.

We attach great importance to the Technical Cooperation Programme of the Agency. As in the past, we have pledged and paid our contribution to

Technical Cooperation Fund in full and in time. In the year 2000, the Department of Atomic Energy had entered into a Memorandum of Understanding with the IAEA to further strengthen cooperation with the Agency covering Fellowship Training, Scientific Visits and Expert Services. An agreement was signed last month for streamlining the procedures for activities covered by this MoU. In the area of nuclear safety and security, India ratified the Convention on Nuclear Safety and participated in the third review meeting of the contracting parties held in April as an Observer. We also took active part in the amendment process to the Convention on Physical Protection of Nuclear Materials.

India, United States and IAEA have established a Regional Radiological Security Partnership programme (RRSP). Under this framework, India offered to provide infrastructure and expertise on a regular basis for conducting International Training Courses in India under the aegis of IAEA, on issues related to the Security of Radioactive Sources and materials as also for locating Orphan Radioactive Sources in countries which are unable to effectively deal with them and which seek assistance from the IAEA. Like in the past few years, India will be conducting the Regional Training Course on Physical Protection of Nuclear Installations during Nov. 7-18, 2005 in Mumbai.

Last month, a five-day international Workshop on external flooding hazards at Nuclear Power Plant Sites was organized at Kalpakkam. The Workshop provided the opportunity for experts to exchange experience and knowledge related to flooding hazards at NPP sites arising from various causes including tsunamis.

Mr. President, before I conclude, it is worthwhile for us to remind ourselves on the eve of the Golden Jubilee year of the Agency, that the IAEA is the world's center of cooperation in the nuclear field and was set up as the world's "Atoms for Peace" organization within the United Nations family. The Agency has well established mechanisms to realise the full potential of atoms for sustainable development. With the huge development deficit that still exists, sustainable development is crucially dependent on the enormous power of atom. The challenge before us is to channelise this enormous potential to world peace and prosperity while preventing its destructive use by irresponsible state and non-state actors. Addressing this challenge successfully would change the perception of the Agency from

just a 'nuclear watchdog' to a 'nuclear Kamadhenu', the Indian mythological cow, that symbolises an inexhaustible sustenance provider for the welfare of the humanity. Once we realise this, a good part of cause for conflict should vanish. We thus have a unique opportunity here at IAEA to make a lasting contribution to world peace. We owe this to this unique multi-disciplinary organisation and in fact the entire UN system.

Thank you, Mr. President.



048. Statement by Inder Jit Member of the Indian Delegation to UN on security issues at the 60th Session of the UN General Assembly.

New York, October 4, 2005.

Please See Document No. 722.



049. Statement by Inder Jit Member of the Indian Delegation to UN on Agenda Item 108: Measures to eliminate international terrorism in the Sixth Committee of the 60th Session of the UN General Assembly.

New York, October 6, 2005.

Please See Document No. 723.



050. Media briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh congratulating Director General of the IAEA Dr. Baradei for winning the Nobel Peace Prize.

New York, October 10, 2005.

- On behalf of the people and Government of India, External Affairs Minister Shri natwar Singh has congratulated Director General of International Atomic Energy Agency Dr. Mohamed El Baradei on winning the Nobel Peace Prize for 2005.

- In a letter to Dr. Baradei EAM said that IAEA had dealt with extraordinary skill many sensitive and complex issues under his able leadership. India was proud to share this moment of happiness and sense of achievement with both Dr. Baradei and IAEA.

- EAM wrote that as a founder member of IAEA "india is fully committed to the Agency's objectives and has consistently supported its activities" and shall continue to work steadfastly in the fulfillment of the Agency's noble mission.



051. Statement by Suresh Kurup Member of Parliament and Member of the Indian Delegation to UN on introduction of the resolution "Convention on the Prohibition of the use of Nuclear Weapons and reducing nuclear danger" in the First Committee of the 60th Session of the UN General Assembly.

New York, October 11, 2005.

Please See Document No. 727



052. Statement by Jayant Prasad Ambassador and Permanent Representative at the Conference on Disarmament on introduction of the resolution “Measures to prevent terrorists from acquiring weapons of mass destruction” in the First Committee of the 60th Session of the UN General Assembly.

New York, October 12, 2005.

Please See Document No. 728



053. Extracts from the speech of Prime Minister Dr. Manmohan Singh at the Combined Commanders Conference.

New Delhi, October 20, 2005.

At the outset I would like to join my colleague the honourable Raksha Mantri to pay tribute to our jawans and officers who valiantly defend our borders. I also express our Nation's profound gratitude to the men and women in uniform who helped in rescue, relief, rehabilitation and reconstruction in the wake of a variety of natural disasters. The humanism and efficiency of our armed forces in responding to the tsunami disaster, to floods in various parts of our country, to cyclones and earthquakes, especially the recent quake in Jammu and Kashmir, have made us all proud of our gallant armed forces.

The security challenge facing India is diverse, complex and evolving. That is to be expected given our size, our location, our historical legacy and, increasingly, our expected role in the emerging multi-polar world.

The end of the Cold War, increasing global inter-dependence and the trans-border nature of many threats have made strategic concepts developed in a bi-polar world somewhat irrelevant. The United States is today the dominant economic, military, technological and cultural power. However, it can be anticipated that the European Union, Russia, China,

Japan and India will consolidate their individual positions to play a global role. We must evolve a new paradigm of security cooperation relevant to an emerging multi-polar world in which global threats obtain global responses.

This is precisely what India has sought to do. We have entered into strategic partnerships with the United States, Russia, Japan and the European Union and are pursuing strategic cooperation with China. Today, nations are engaged simultaneously both in competition and cooperation.

While the international community has made some progress in evolving a rule-based order for managing the economic and commercial dimensions of globalization, the absence of an effective, rule-based order is acutely felt in addressing contemporary security threats, such as terrorism and the proliferation of weapons of mass destruction. Simultaneously, globalization has sharpened the threat posed to us by instability in both our immediate and our proximate neighbourhood. Along with this, we must also be mindful of the desire of extra-regional powers to keep us engaged in low-intensity conflicts and local problems, to weigh us down in a low-level equilibrium.

To meet these challenges, our strategy has to be based on three broad pillars. First, to strengthen ourselves economically and technologically; Second, to acquire adequate defence capability to counter and rebut threats to our security, and third, to seek partnerships both on the strategic front and on the economic and technological front to widen our policy and developmental options.

With this in perspective, India too is reciprocating positively to overtures of other major players in the global balance of power. No doubt this involves sophisticated bargaining with each of them. It is unrealistic to expect nations to act for altruistic reasons. International relations are in the final analysis, power relations. This balance of power politics in international relations is more sophisticated than during the Cold War era. We must learn to deal with this new reality and plan our long-term security based on a proper appreciation of these evolving trends.

Consequently, we should develop friendly interactive relations with as many major powers as possible. For the armed forces, such interaction should encompass weapon and equipment acquisition, joint development

of systems and evolution of defence doctrines. This will help in securing wider international support when we need it most.

In the Arthashastra, Kautilya wrote that a healthy economy is a sound foundation for well-funded armed forces. "From the strength of the treasury", he said "the army is born". But it is not only for fiscal reasons that the health of our economy is important for our national security. A healthy, growing and stable economy in itself enhances security. New notions of "Comprehensive National Power" give high weightage to economic, social, scientific, technological, educational and cultural aspects of power. Military strength alone no longer guarantees a nation's security. Knowledge power and economic capabilities are equally important.

I am sure that our defence community recognizes that economic progress has enabled accelerated equipment modernization. Today's international climate enables us to draw on world financial flows for development and to offer our skills in exchange for other countries outsourcing services and manufacturing to India for mutual benefit.

Our armed forces have always been assured that our Government will never shy away from finding funds for our defence requirements and I endorse what the Defence Minister has said in his address. It should be obvious, however, that any Government will find it easier to find the required resources if the economy grows faster and generates the incomes and revenues required. If our economy grows at 8% per annum it will not be difficult for us to allocate about 3% of our GDP for our national defence. This should provide for a handsome defence budget. Hence, our priority is to pursue policies to generate faster economic growth and mobilize more resources.

Critical to our effort to step up the rate of economic growth is the assurance of energy security. This requires a broad-based energy policy based on rational economic and strategic considerations. Rational domestic pricing policies, financing of long-term investments, diversification of sources of energy and ensuring the security of sea-lanes and other means of securing energy supplies are vital for our national energy security. In this context, an expansion of our civilian nuclear energy programme is also of vital national interest. The agreement entered into with the United States during my visit to that country in July, I hope, when operationalised will help us enormously in this regard.

I do believe that it is in our national security interest to ensure that our neighbours evolve as viable States with moderate and stable political and social environment and a robust economy. There is a role for diplomacy and for civil society in influencing this process. South Asia must be home to open societies and open economies. That is in our interests and in the interests of all countries of South Asia. Political pluralism and moderation can stabilize our security environment.

We also have a vital stake in the security of the sea-lanes to our east and west. The Indian Navy therefore must expand its capability to protect these sea-lanes. We must ensure workable alliances with like-minded countries for the security of these sea-lanes, for our commercial and energy security.

Lately, natural disasters have emerged as a major area of operation for our armed forces. Apart from providing logistical support to civilian authorities, the armed forces are being called upon to deal with humanitarian challenges, project capabilities abroad and engage the defence services of other countries. Such demands will increase as we face forecasts of natural disasters of unexpected magnitude in the future. We must therefore engage in scenario building and in disaster management gaming to prepare for all eventualities.

In my address last year I dealt with issues relating to modernization and use of latest technology in some detail. I must repeat here that this will remain a priority for us. Our armed forces requirement for modern equipment will receive priority attention. There should be no doubt that our Government will make the required funds available for equipment for our armed forces. I am happy that after a long gap our Government has been able to step up defence equipment purchases aimed at modernization of all our services. In this context, I would like to compliment the Ministry of Defence for bringing out a comprehensive procurement manual to streamline procedures, enhance transparency and reduce timelines for decision making. This is one important step towards the goal of procedural reform aimed at faster, more transparent and better decision making in defence procurement.

Defence planning also requires greater attention to service related issues, including training and benefits for both ex servicemen and for the next of kin of our soldiers. We have established a new department of ex-servicemen, and we have launched a scholarship scheme to assist in the education of the wards of ex-servicemen and widows. We have refined the

Ex-servicemen's Contributory Health Scheme. We must also move ahead to establish a National Defence University soon, as recommended by the K Subrahmanyam Committee on this very subject. However, we still need fresh thinking on how best to improve training, and to address the shortfall in recruitment of officers in the services.

In closing, let me once again express to you the nation's gratitude and pride in the professionalism and dedication that you have always shown in defending our motherland and serving our people. May your path be blessed.



054. Lecture by Foreign Secretary on “Nuclear Non-Proliferation and International Security” at the Institute of Defence Studies and Analysis.

New Delhi, October 24, 2005.

I welcome this opportunity to present to such a distinguished audience some views on issues relating to nuclear non-proliferation and international security. At the outset, I would like to thank the Institute of Defence Studies and Analyses for inviting me to deliver this address. The Institute has a well deserved reputation as our premier strategic think-tank and quite appropriately, they have focused on a subject that not only has a strong contemporary relevance but represents a long term challenge for India and the international community. There is a vigorous, and in my opinion, a healthy debate underway currently on a range of issues that relate to different facets of this subject. A number of recent developments including the Next Steps in Strategic Partnership (NSSP), the July 18 Agreement with the United States, the September vote in the IAEA and the recent deliberations of the NSG have contributed to that. While connecting the common threads, it is our case that India's approach to nuclear non-proliferation has been a consistent one, a principled one and one grounded as much in our national security interests as in our commitment to a rule-based international system.

2. India's commitment to nuclear non-proliferation is not new. Indeed,

this is an area where we can truly claim to be among the founding fathers! The Indian leadership, particularly Jawaharlal Nehru, was among the first in the world to appreciate the dangers that nuclear weapons posed to humanity. As with the rest of the world, our understanding of the complexities of the challenges posed by nuclear weapons developed over time. Initially, Hiroshima and Nagasaki were responsible for a strong sense of moral outrage at a weapon of mass destruction. It took the Bikini atoll tests and the fate of the Japanese vessel The Fortunate Dragon to dramatize the dangers of radioactivity. As the number of nuclear weapon powers increased, and their rivalry acquired an increasingly adversarial character, there was a growing realization of the political, military and eventually even existential nature of the problem. At the same time, nuclear technology offered a promise of development that could not be ignored, least of all by a society emerging from colonial rule and seeking to leapfrog in its development process. Bilateral cooperation programmes and the Atoms for Peace contributed to the spread of nuclear technology and its increasing application for power generation and other civil purposes. These two competing trends created the dilemma of how the benefits of the technology could be best harnessed without adding to the security challenges inherent in that spread. That is an issue that still confronts the international community and is one that is not confined to nuclear technology alone.

3. The initial debate about the control of nuclear weapons and technology focused on four issues: cessation of nuclear testing, creation of nuclear free zones, the problem of sharing nuclear weapons particularly within alliance structures, and the possibility of renunciation of nuclear weapons by nations that had not yet produced them. India took a position on each one of these issues, arguing strongly in favour of restricting both the spread and quantum of nuclear weaponry. Pandit Nehru's call in 1954 for a 'standstill' to nuclear weapons tests and then for a test ban began a process that eventually led to the 1963 Partial Test Ban Treaty. En route, this debate also produced the 1959 Antarctica Treaty that created a nuclear free zone on that continent. The application of a nuclear free zone in other areas was not deemed viable by India given the proximate location of nuclear weapon powers, a position that continues to this day. The sharing of nuclear weapons, a prospect that seems so ludicrous today, was a serious possibility in the 1950s and 60s, and sharing of weapon technologies had actually taken place. India's position was one of firm opposition, and this eventually became a global norm. It was the renunciation of nuclear weapons that became the most contentious issue in the non-proliferation proposal debate.

In 1956, India proposed the international control of military reactors and then co-sponsored the non-proliferation proposal in the United Nations. Nehru prophetically warned the world as far back as 1957 not only of nuclear proliferation but of connected dangers of terrorism. But from being an early and enthusiastic supporter of this concept, Indian reservations deepened as it watched the evolution of an international treaty conspicuously lacking, despite its strong urging, in a mutuality of obligations between the weapon states and non-weapon states. Finally, as you are all aware, India chose not to be a party to the NPT, precisely because of its inherently discriminatory nature.

4. This history is worth recalling, if only for the reason that it demonstrates that India had sensitivities about nuclear weapons from the very inception of that technology and that these were reflected in its approach to international security. In fact, India was prepared to advocate bold and radical measures to prevent the spread of nuclear weaponry, some would argue even at the cost of its own interests. Today, when other countries speak about non-proliferation, it may not be out of place to remind ourselves that our activism in this regard well predates the NPT. Developments since 1968 only further underline India's non-proliferation credentials. Unlike some other states who eventually joined the NPT, India did not undermine the NPT even though it differed with many of its premises. At no stage did we support irresponsible theories that projected nuclear proliferation as a new version of balance of power. India, in fact, scrupulously followed all the basic obligations of an NPT member, resisting suggestions for nuclear cooperation that could have had adverse implications for international security. Indeed, in the four decades since NPT, our record contrasts favourably with NPT members, even of the weapon state category, some of whom encouraged and abetted proliferation for political or commercial reasons. Our export control performance during this same period also contrasts favourably with those of many developed nations who could not stop their companies from supporting clandestine WMD programmes. At a policy level, this was an important component of a larger commitment to disarmament enunciated most notably by Prime Minister Rajiv Gandhi's 1988 Action Plan. As you are all aware, the indefinite extension of the NPT and the enactment of the CTBT finally compelled an exercise of the Indian weapon option in 1998.

5. As a responsible nuclear weapon state, we are even more conscious of our obligations to the international community on the control of WMD

technologies and their delivery systems. This appreciation has guided many of the policy initiatives undertaken in recent days, but this may be an opportune occasion to spell out India's current approach to global non-proliferation and international security, particularly as it has evolved since India's emergence as a Nuclear Weapon State in May 1998. The key components of this approach are:

(i) While India is a Nuclear Weapon State, it remains committed to the goal of complete elimination of nuclear weapons. The model that could be followed in this regard is the Chemical Weapons Convention, which is both multilateral as well as non-discriminatory in the rights enjoyed by, and obligations it imposes, on parties to the Convention. We continue to believe that the best and most effective nuclear non-proliferation measure would be a credible and time-bound commitment to eliminate nuclear weapons from existing arsenals, including India's own nuclear weapons. We have no desire to perpetuate the division between nuclear-have and have-nots.

(ii) A new global consensus on non-proliferation is called for, taking into account the new challenges that have emerged since the Nuclear Non-Proliferation Treaty was concluded. Clearly, some NPT members, both Nuclear Weapon States and non-Nuclear Weapon States, have not adhered to the provisions of the Treaty and this requires global norms that go beyond the NPT. For example, India has agreed in the Indo-US Joint Statement of July 18 that it would not transfer reprocessing and enrichment technologies and would support international efforts to limit their spread. We have accepted that a new global consensus would have to be based on new and more rigorous standards being observed in export controls on sensitive technologies. India has signaled its willingness to be part of this consensus by adopting a very comprehensive WMD Export Control legislation and harmonizing our export control lists with those incorporated in the Nuclear Suppliers Group (NSG) and Missile Technology Control Regime (MTCR) guidelines. This has enabled us to fulfill the obligations prescribed in the UNSC Resolution 1540.

(iii) We believe that States should adhere to the commitments that they have made under international treaties and instruments and must be transparent in fulfilling their commitments. We are unable to accept as legitimate the pursuit of clandestine activities in respect to WMD related technologies. Our own security interests have been seriously undermined

by the clandestine nuclear weapons programmes in our neighbourhood aided and abetted, or at the least, selectively ignored by some NPT signatories themselves. In seeking clarity on such clandestine activities, the international community must focus not merely on recipient states but on supplier states as well; otherwise our global non-proliferation effort would be undermined by charges of motivated selectivity and discrimination. With respect to the Iran nuclear issue, we welcome Iran's cooperation with the IAEA in accounting for previously undeclared activities, but it is important that remaining issues, which involve the Pakistan-based A.Q. Khan network are satisfactorily clarified as well. We see no reason why there should be an insistence on personal interviews with Iranian scientists but an exception granted to a man who has been accused of running a global 'nuclear Wal-Mart'. These aspects must surely be considered for an objective assessment on this question.

(iv) For the future, we believe we have the responsibility and the capability to participate fully and actively in global R&D efforts to evolve proliferation-resistant nuclear technologies, which enable us to derive the full benefit of nuclear energy, minimizing the risk of diversion to military uses. There are two critically important projects in which some key countries with advanced nuclear technology are members. One is the International Thermonuclear Energy Research (ITER) project, which is aimed at development of energy through nuclear fusion. The EU, US, Russia, China, Japan and South Korea are partner countries, and India is likely to be invited soon to join as a full partner. The other is the U.S.- led Generation IV initiative, which aims at creating reactor prototypes that are not prone to proliferation. India is looks forward to join this cutting-edge effort as well. In both cases, India's participation is welcomed not only in recognition of its advanced capabilities but also its record as a responsible nuclear state.

6. If you look at India's recent actions against the backdrop of this approach, then a great deal of the apprehension and negative perception about India's nuclear policy, would appear misplaced.

- Firstly, there is a continuity and consistency in our approach that may sometimes be masked by the particularities of a specific decision;
- Secondly, what appears to some observers as inordinate external influence over our decision-making in sensitive areas is, in fact, rooted in

our own well-considered and independent judgement of where our best interests lie. This is in keeping with our tradition of non-alignment;

- Thirdly, we must adjust to change, change inherent in our emergence as a Nuclear Weapon State, change inherent in the sustained dynamism and technological sophistication of the Indian economy, and, as a consequence, change in global expectations of India as an increasingly influential actor on the international stage.

7. Since 1998, a key challenge to India's foreign policy has been to seek global recognition and understanding of its impeccable record on non-proliferation despite its decision to acquire nuclear weapons. This recognition is important though some may not see it that way. We live in an increasingly globalised world and as India's economy shifts towards greater technological sophistication, it will need access to cutting-edge technologies in virtually all fields. In each of the recent initiatives India has taken, whether the NSSP, the July-18 Indo-U.S. Joint Statement, the applications to participate in ITER and Generation IV, Glonass and Galileo Satellite Navigation Systems, the Indo-U.S. Space Launch Agreement, and several others, this technological compulsion has been a major consideration. These would not have been possible, and India could have remained in a technological strait-jacket had it not backed up its commitment to non-proliferation with the adoption of global norms as has been done by other states with advanced nuclear technology. The cumulative results of the steps we have taken, such as enactment of the WMD Bill, the upgradation of the national export control lists so as to harmonize them with those of the NSG and MTCR, the proposed separation of our civilian and military nuclear facilities and the negotiation of an additional Protocol with the IAEA, is to increase the confidence of the international community in the robustness and effectiveness of our export control systems making us a more viable destination of advanced dual use technologies. With the U.S., there is already a more liberal and predictable licensing of dual use technology for Indian industry.

8. Indeed, we have a situation today where the Government has created a favourable enabling environment and it is our end-users who should display greater vigour in taking advantage of resultant opportunities. China, with a much less favourable licensing regime, imports ten times the dual technology that we do from the United States. For our space and nuclear industries, the completion of NSSP resulted in the removal of many of our organizations

from the Entity List, with consequent licensing benefits. Some organizations remain listed and we continue to work for their removal. The 'NSG plus' and 'MTCR plus' restrictions that were in place were also done away with. The space industry today is permitted direct cooperation for developing, producing, marketing and operating US commercial satellites and those of third nations that contain US origin components. It created the basis for discussions that we have currently on the conclusion of a bilateral space launch agreement with the U.S. It has also contributed to a useful dialogue on the subject of missile defence.

9. What does the international community gain in making an exception to the current regulations for India? How do we answer the proponents of the current global non-proliferation regime, who see the exception being made for India as the unraveling of this regime?

10. The exception for India is rooted precisely in its record on non-proliferation, even though it is not formally a member of the NPT. It is significant to note that the Indo-US understanding in civilian nuclear cooperation is prefaced by President Bush conveying his appreciation for India's strong commitment to preventing WMD proliferation. He has acknowledged India as a responsible State with advanced nuclear technology. There is today no other State, which has this record of responsibility and is still denied non-discriminatory access to civilian nuclear technology.

11. Secondly, our export controls are today at global standards and our policy of non-transfer of re-processing and enrichment technologies, in fact, put us in an "NPT plus" category.

12. Thirdly, in considering its approach towards the resumption of full civil nuclear energy cooperation with India, the international community has to ask itself whether India is a partner or a target for the global non-proliferation regime. It clearly cannot be both at the same time. Our view is that India's commitment and India's record points to it being a partner. Technology-denial regimes that treat India, as a target must, therefore, be abandoned.

13. Fourthly, the international community also needs to ask whether the global non-proliferation regime is better with India inside the tent or outside. As a corollary, will civil nuclear cooperation with India strengthen the non-

proliferation system or weaken it? Obviously, we cannot be inside the tent if we do not measure up to the required norms. We, of course, are convinced that we do, for the reasons that I have already enumerated.

14. India is today a rapidly expanding industrial economy with a wide array of technologies that are relevant to proliferation. That in itself makes a case why our export controls and their effective implementation will matter more and more for global non-proliferation efforts. As a nuclear weapon state, our support for international norms is critical for their success. But it is not only in our controls and restraint that we can make a difference. The time when NPT was regarded as self-enforcing is long past. The spread of technologies cannot be controlled by cartelisation alone. There are enough examples to show that commercial and political incentives can defeat that. The challenge that the world currently faces requires more active endeavours. This is particularly so as the dangers of non-state actors acquiring nuclear weapons have given the WMD threat an added dimension. UNSC resolution 1540 is one example of the global community's response. There are others, among them a combination of national and trans-national efforts. The Container Security Initiative and Proliferation Security Initiative are two such examples. Advocates of non-proliferation must seriously examine whether the support of India towards global efforts is to their advantage. That support is difficult to muster if India perceives itself as unfairly treated despite its demonstrated commitment to a rule bound system.

15. A word about separation of our civilian and military nuclear facilities. Some non-proliferation advocates contend that since it is India, which will determine what is civilian and what is military, this would open the door for flouting non-proliferation norms. This betrays a lack of understanding of the July 18 Joint Statement. The Indo-U.S. Agreement is not about India's nuclear weapon programme. It is about civilian nuclear energy cooperation. The objective of the agreement is to advance India's energy security through full civilian nuclear energy cooperation. It is legitimate for our partners to expect that such cooperation will not provide any advantage to our strategic programme and hence the need to separate it from our civilian nuclear sector. But it makes no sense for India to deliberately keep some of its civilian facilities out of its declaration for safeguards purposes, if it is really interested in obtaining international cooperation on as wide a scale as possible. This would be quite illogical.

16. India is poised today to enter a new phase in its foreign policy. We aspire to be a permanent member of the Security Council. We are demonstrating a growing capability to shoulder regional and global responsibilities. Our focus is increasingly on trans-national issues that today constitute the priority challenges – whether it is terrorism or proliferation, pandemics or disaster relief. We cannot sit out the debates on the big issues of our times. Our interests demand a vigorous and articulate diplomatic effort that explains our positions and advances our interests. Non-proliferation is one area where we have a record to be proud of and I would conclude by emphasizing that it has been and will remain one of our principal contributions to international security¹.



1. Answering questions at the end of the lecture, the Foreign Secretary said that a “road map” to separate India’s civil and military nuclear facilities was still to be worked out. Separation, he warned was a complicated issue and could even be an “expensive process”. A “road map” for this purpose was under discussion. Adding he said the process would have to keep in mind India’s “strategic” nuclear programme as well. Denying any link between India’s vote against Iran at the IAEA and the civilian nuclear deal with the U.S. despite whatever may have been said in the U.S. Congress, the Foreign Secretary said India was not negotiating the deal with the U.S. Congress. Neither could India expect the U.S. to negotiate details with political parties on the Left, which opposed the deal. The civilian nuclear deal was between the two governments, he asserted. Conceding there may be “uncertainties” about the agreement both on the Indian and the American sides, Saran felt there was greater clarity on implementation of the deal after he held talks with Mr. Burns, Under Secretary of State dealing with political matters. On whether he was “sanguine” about the results of the recent Nuclear Suppliers Group meeting in Vienna, which did not take any decision on making an exception to India receiving civil nuclear technology, the Foreign Secretary pointed out there had been no vote at the NSG meeting. According to F.S. on balance, India was pleased with the results of the NSG meeting. No country really opposed that India be exempted from the rigours of NSG guidelines to provide it with civil nuclear technology. Saran said that the U.S. had made a positive presentation in India’s favour and New Delhi believed that NSG curbs would eventually be lifted. Asked if the Government believed that Iran was building a nuclear weapon, he replied that Iran had declared at the highest level that it was not seeking nuclear weapons. There were, however, some activities that Iran needed to explain. India, he said, had also welcomed Iran’s cooperation with the IAEA. Referring to pending issues related to Iran before the IAEA, Saran said there had been cooperation between Tehran and the Vienna-based agency, but the issue of Iranian “links” with the Pakistan-based A. Q. Khan proliferation network remained. Denying that India’s vote on Iran was linked to the July 18 civilian nuclear deal with the U.S. the Foreign Secretary said that a confrontation over the nuclear issue was not in Tehran’s interest or the interest of the other countries. He said efforts were on to resume talks with Iran on the nuclear question. On its part, India wanted that Iranian nuclear question should continue to be addressed within the IAEA framework. In his view discussions on some compromises that were going on before the September IAEA vote should be resumed. Some of those ideas could be taken forward at the next meeting of the IAEA Governing Board. He felt India’s position on the September vote was “very clear” because two of India’s concerns – to give time for discussions and keep the issue within the IAEA framework – had been met.

055. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on Threats to International Peace and Security caused by Terrorist acts at the Security Council.

New Delhi, October 26, 2005.

Please see Document No. 738.



056. Lecture by Prime Minister Dr. Manmohan Singh on the Foundation Day 2005 of the Institute of Defence Studies and Analysis.

New Delhi, November 11, 2005.

I am truly delighted to be here in your midst to celebrate the 40th Anniversary of the Institute of Defense Studies and Analysis. I am particularly happy that you have chosen on this auspicious occasion to honour your former Director, Shri K. Subrahmanyam, for helping to lay a strong foundation for this institution in its formative years. His incisive writings continue to stimulate and contribute to the thinking of strategic analysts and policy makers in this vital area of national concern. We look forward to many more years of active contribution from this doyen of the strategic community in India, to the vital policy debates of our times.

Over the years, Shri Subrahmanyam has pointed out in his writings the importance of making strategic choices that affect our national security and well-being, by careful weighing of costs and benefits without getting trapped in “black and white” views of the world, ignoring the shades in between, in which the real world manifests itself. He has been an ardent advocate of a holistic vision of national security, tempered with a sense of realism and pragmatism.

Let me therefore suggest that in keeping with our honor and dictum on the need for long term planning, we use this anniversary celebration to introspect on strategic policy planning in general, and on IDSA’s contributions to this process in particular.

On balance, I think it is fair to say that over the past four decades IDSA has largely fulfilled its mission. While the existence of IDSA as one of our few strategic think -tanks suggests a deeper need to create an adequately vibrant strategic community, this is perhaps a subject for study in its own right. Suffice here to say that I believe your institute has rendered yeoman service, often in difficult circumstances, to promote strategic thinking, inform policy-makers and the public at large, and to develop a community of strategic thinkers. I congratulate all those associated with this Institute for contributing to strategic studies and institution building in a vital area of national concern.

However, an anniversary is also an occasion to objectively consider the lessons of the past, and to strategize to meet the challenges of our future. I would like to briefly outline the challenges that confront us today.

It is a truism that despite the progress humankind has recorded, war, like privation, disease and ignorance, is far from being eliminated. In fact, as we progress materially, our record in coping with conflict seems to be, probably, worsening. While instances of war and armed conflict may have been reduced over time, the actual impact on people has worsened. Estimates suggest that mortality caused by conflict has increased dramatically, from 1.6 million in the sixteenth century to nearly 110 million in the twentieth century.

We can therefore draw no comfort from the trends that determine our future. Optimists suggest that the present security challenges will at worst persist; but pessimists forecast cataclysmic devastation. Pragmatists suggest that security problems will worsen overtime, but probably incrementally. Personally, despite my own training in the "dismal science" of Economics, I am inclined to be more optimistic than the optimists. Perhaps Bonar Law was right when he said that "there is no such thing as an inevitable war. If war comes, it will be from the failure of human wisdom". I believe that peace in our troubled and violent age requires eternal vigil, patience and wisdom. We must all work together to analyze potential sources of conflict to find solutions without recourse to arms. It is this that is the challenge before Governments and humankind as a whole.

It is in this context that centres of research and think-tanks derive their importance. Policy making in most countries is often reactive: Governments are driven by deadlines and events. And once an event occurs, it is a bit late to plan for it! This is one reason why so many problems are

difficult to resolve. Proactive planning is the goal of strategic thinkers worldwide, and this is where your community must step up efforts to identify problems, highlight trends, develop scenarios, and suggest policy options, before crises overtake us.

I have often said and felt that there is a dearth of long term planning. Of course there is a saying of a very famous Cambridge economist, Lord Keynes, who said in the long term, we are all dead, but I do believe that there is a need for long term planning. On the one hand, policy papers can sometimes become impractical, and on the other, policy options are sometimes bereft of long term vision. Our academia loses its sense of independence and Government begins to devalue inputs from outside its system. There is therefore an obvious interest in strengthening mutual interaction to focus on long term planning.

In the lexicon of economics, the cost of investing in long-term policy making – in time, money and energy – are quantifiable and immediate. Unfortunately, however, the benefits are reaped only in future, and all too frequently, by successors. These benefits are also hard to quantify, since a crisis averted does not register on the popular consciousness. Naturally, the incentive for in-depth analysis and long-term policy planning has always been weak, despite the obviously disastrous consequences of ignoring such efforts.

Having said that, let me elaborate my perspective of our security environment. There are those who define security solely in the narrow prism of violent conflict. However, I believe violence is only a symptom of larger social and economic ailments. Societies face risks in terms of competition the power and control, from institutional failures, weakening democratic structures, economic disparities and, of course, sectarian and territorial disputes. Sometimes external factors such as regional conflict, scarcity of resources and economic shocks adversely affect societies. For instance, competition for the increasingly expensive sources of energy particularly hydrocarbons can lead to local and even global economic crises, and eventually if care not taken, may lead to serious conflicts as well. Indeed, many threats to internal security derive from a sense of alienation among people. This sentiment is then exploited by external forces inimical to our nation. There is thus a link between external and internal threats to our security. Therefore, apart from firm political and administrative handling of

such threats, we also need the economic and social space within which a political leadership can contend with such problems. This space can be created by rapid social and economic development. Apart from deriving a linkage with our own internal challenges, regional disturbances in neighbouring countries affect us in other ways. The danger of a number of failed States emerging in our neighbourhood has far reaching consequences for our region and our people. The impact includes crises which generate an inflow of refugees and by destabilisation of our border areas. We see signs of the ills of disaffection, alienation and conflict not only in India but also across our neighbourhood. We have to be alert to these developments and deal with the dangers that lie ahead.

The breakdown of effective international mechanisms also affects the security of individual countries. As long as terrorism was seen as a phenomenon that was 'elsewhere', the international community was unwilling to adopt an effective coordinated strategy to deal with this menace, which constitutes a grave threat to the civilized world. Similarly, the international regime against proliferation is also under stress. It is clear that the existing system of unequal and discriminatory rules, based on the nuclear Non Proliferation Treaty is deeply flawed. It has permitted unchecked proliferation by some, while preventing countries such as ours from acting in its economic and security interests. An effective non proliferation framework that addresses our security interests while simultaneously encouraging peaceful uses of nuclear energy is in our vital national interest.

Apart from the many factors that are challenges to our security, options to address such challenges are also not limited to mere application of force. Whether it is war in its classical sense, or in its many variations such as internal conflict, insurgent movements or even transnational terrorism, non-military measures are invariably needed to evolve durable solutions. Hence, policy analysts must adopt interdisciplinary approaches and policy planners should develop sophisticated, multi-pronged responses. These must result in improving our security in all its dimensions: economic, social, political and even in terms of food and energy security. Such an approach is even more important as military and police forces grapple with new and unconventional challenges.

Ladies and Gentlemen,

At the same time, as media transforms our world into a global village,

threats involving large-scale loss of lives have to be factored into any security matrix. Similarly, just as our interconnected world has brought with it an easing of borders or softening of borders, it has also unfortunately enabled many security problems to attain transnational and global dimensions. The specter of international terrorism is one such phenomenon evolving out of the churning that has accompanied globalization processes. It is imperative to contend with both trans-border, regional and global ramifications of local problems as well as the reverse. In devising strategies to meet transborder challenges, we must now consider ways of evolving multinational strategies.

We must also find ways of using international opinion as a force multiplier in addressing external challenges effectively. No country in the world, howsoever powerful, even the sole superpower in the world today, can counter threats unilaterally. This therefore makes diplomacy doubly important for a poor country such as ours. I have often said that for us in India, effective diplomacy is an important supplement and indeed an alternative to excessive defence spending. Therefore it is important to devise methods of effectively participating in multilateral fora, in influencing world opinion and striving to make such mechanisms more representative, more consensual and more effective and mindful of India's national concerns.

It is in this context that I have said in the past that our security policy in the emerging global order must be based on three pillars. The first must be to strengthen India economically and technologically; second, to develop adequate defence capability making the optimal use of modern science and technology so that we can effectively meet all contemporary challenges to our security. And finally we must develop partnerships in the strategic economic and technological spheres to enlarge our policy choices and developmental options.

Ladies and Gentlemen,

Therefore, our engagement with the major powers and indeed with the world must be set in this wider perspective. We must balance the pursuit of national interests with a clear appreciation of what other nations perceive as their core interests. To advance our own security interests, we must engage in cooperative, constructive and mutually beneficial relations with all major powers of the world. Most of all, we must engage in proactively strengthening multilateral mechanisms for financial, economic and political security.

We have as a nation, a great State in a rule based international system, a system that is rule based and not deal based. I believe all poor countries have a stake in an international system that is just equitable and effective.

Ladies and Gentlemen,

National security is increasingly a complex and interlinked challenge. Appropriate handling now requires comprehensive capabilities and the collective effort of the nation. In a troubled world, India can and must play a more positive role in securing peace and maintaining it. We need to do so remaining mindful of the fact that international relations are ultimately power relations, based on realpolitik, not on sentiment. And howsoever, we may regret it, international relations are not a morality play.

While India seeks economic development and material progress both for itself and for the role that we believe is India's destiny, institutions such as yours must strive to become world class centres of excellence. Your goal must be to expand the knowledge pool on issues of security and in planning for a better collective future for our people. I wish you well in these endeavours, on this auspicious day. May your efforts to achieve this vision be realized well before the 50th anniversary of your establishment.



057. Statement by India's Permanent Representative Dr. Sheel Kant Sharma at International Atomic Energy Agency.

Vienna, November 24, 2005.

We would like to complement the DG for his concise and factual report on the implementation of NPT Safeguards Agreement in the Islamic Republic of Iran contained in the document GOV/2005/87. It is reassuring to find in the report that in the period since the Board last met Iran has been more forthcoming in providing the IAEA additional access to sites and individuals requested. The Report notes that the IAEA has been able to interview individuals involved in procurement who have not been previously made available. It refers to additional documents being made available to the agency in a variety of areas. It appreciates access being given to sites of interest. It is also significant that there is thus new information made available to the Agency, which is being processed. All this characterizes substantive work in progress since the September meeting.

We would also like to emphasize, particularly with reference to paragraph 21 of the report, the imperative need of further exhaustive and meticulous work by the Agency's team to clarify outstanding issues.

It is equally critical to realise that for effectively progressing clarification of issues, full cooperation and a climate of confidence are indispensable. The present situation offers vital diplomatic space for pursuit of our common goals in the Board and confirms India's position that this matter should be resolved within the IAEA. This also strengthens our view that enough time and cooperation be given to the IAEA to complete its work.

Therefore we would like to underline the need to avoid actions that might hinder or undermine confidence. In meeting the IAEA's requirement to pursue any remaining questions, it should be borne in mind that there is no precedent setting and the Agency's activities are to be seen in the specific context of the title of its report i.e. Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran.

In view of the sensitivity of the present situation and the need to avoid failure of the associated diplomatic processes, it is necessary for all

of us in the Board of Governors to adopt a united stand and provide dear, consensual guidance to the Director General.

While we show understanding in this perspective to Agency's pleas as spelt out in paragraph 21, we would also like to reiterate that for meeting the challenges and risks of proliferation there is need to come to grips with both the demand as well as the supply side of related equipment material and technology. Paragraphs 5 to 12 of DG's report allude to an entirely uncharted domain in face of which references merely to 'network' appear too simplistic. The additional documentation and, information made available will shed greater light on clandestine proliferation activities of 'foreign intermediaries', in particular the Pakistan-based A. Q. Khan network. This domain too needs to be scrupulously scrutinized. Greater clarity and transparency in this area will serve the interest of the objectives of non-proliferation to which we are all committed. This would also enhance credibility of the IAEA.



058. Press release of the Ministry of External Affairs on India's participation in International Thermonuclear Experimental Reactor (ITER) Project.

New Delhi, December 7, 2005.

India has been accepted as a full partner in the ITER Project by consensus¹. This was decided at a meeting of the ITER partner countries (China, Japan, European Union, Republic of Korea, Russia and the US)

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1. India will be the seventh member of the ITER. India's interest in joining the ITER was formally expressed in a letter of July 8, 2005 which described India's ongoing fusion research at the Institute of Plasma Research (IPR) in Ahmedabad. Following this an exploratory fact finding mission was in India in early October. It visited IPR and evaluated India's industrial capability to contribute to ITER's hardware and software needs. The mission's technical report was considered by the ITER Negotiating Committee at its November 7 meeting in Vienna, and all parties supported India's admission. Earlier on November 15 Prime Minister Manmohan Singh while inaugurating the 16th annual conference of the Indian Nuclear Society at Bhabha Atomic Research Station said that India wanted to participate in multinational futuristic atomic energy programmes such as ITER and Large Hardon Collider. He said he had taken up the Indian intention with world leaders "and I am happy that we are eliciting a positive response."

held in Jeju, Republic of Korea on 6 December 2005. Negotiations on finalizing the ITER Agreement are at an advanced stage and it is likely to be finalised shortly.

ITER is an ambitious programme to demonstrate the scientific and technological feasibility of fusion energy for peaceful purposes. India had expressed interest in participating in the project as a full partner on the basis of its advanced scientific and technological base, its established record of R&D in fusion research as well as from the perspective of a country with enormous energy needs.

India's acceptance as a full partner is an acknowledgement of India as a responsible nuclear state with advanced nuclear technology, including in the field of fusion research. It also recognizes that India can significantly contribute to such endeavors. As a full partner, Indian contribution to the ITER project shall be on the same basis as that of other partners.



INDIA'S FOREIGN RELATIONS - 2005

Section - III Afro-Asian Summit

059. Statement by External Affairs Minister K. Natwar Singh at Asian-African Ministerial meeting.

Jakarta, April 20, 2005.

Your Excellency, Dr N. Hassan Wirajuda, Minister of Foreign Affairs of The Republic of Indonesia,

Your Excellency Dr Nkosazana Dlamini Zuma, Minister of Foreign Affairs of The Republic of South Africa,

Distinguished Ministers and Delegates,

It is indeed a privilege to participate in the preparations for the Asian African Summit 2005. Our Summit of 2005 is a tribute to that held 50 years ago, which for the first time crystallised the ethos and values of our two continents. The Bandung Summit inspired the movement for Non-alignment and the creation of the OAU. Our Summit will, we hope, set in place a New Strategic Partnership between Asia and Africa. A Partnership which will lead to the development of continent-wide, intra-regional cooperation between Asia and Africa.

A remarkable galaxy of personalities had participated in the Bandung conference - Pandit Nehru, President Sukarno, Ali Sastrimedijoyo, Prime Minister Mohammed Ali of Pakistan, Chou-En Lai of China, Prince Sihanouk of Cambodia - the only leader present at the time who is still alive today, Nkrumah of Ghana, Nasser of Egypt, U Nu, Wan of Thailand and Sir John Kotlewala of Ceylon. The historic nature of the conference had been heightened by their presence. The ten principles, or Dasa Sila, which resulted from the Conference reaffirmed the principle of peaceful coexistence as the basis for global peace and cooperation.

The policy of non-alignment, which has been followed by a large number of developing countries subsequent to the end of the colonial era can also be traced back to the Bandung Conference. This fact of history should be recognized by the Ministerial Statement, which we issue on the Golden Anniversary of that Conference. I propose that we consider a preambular paragraph, which recognises the role of the 1955 Asian-African Conference in the enunciation of the objectives of non-alignment.

It is a matter of satisfaction that considerable progress has been

made by the people of Asia and Africa since the year 1955. Colonialism has been eradicated. So has the scourge of apartheid. Our successes in these areas owe in no small measure to cooperation between Africa and Asia.

There is, however, we are convinced, a need to continue to pursue collective action to address issues of common concern. The situation in 2005 is, in many ways, different from that which prevailed in 1955. While the decline of colonialism and the emergence of power blocs defined the international situation at that time, it is globalisation, we believe, which defines today's paradigm.

Co-Chairmen,

This is a Forum where, we the countries of Africa and Asia, should determine to shape a new United Nations that gives us greater voice in its decision making processes so that the UN becomes an effective and efficient instrument to tackle shared threats and meet shared needs.

The United Nations, set up in 1945, was based on the power realities of that time. It is now necessary to undertake the reform of the United Nations, the Bretton Woods institutions, and, in particular, the UN Security Council, to reflect the realities of 2005. In this context, it is important to increase the membership of the United Nations Security Council, both in the permanent as well as the non-permanent categories.

Globalisation, we know, is both an opportunity and a challenge. The freer movement of trade, capital and technology has led to the expansion of economic growth, employment and social development in many parts of the world, including in developing countries. It, however, also runs the risk of leaving large parts of the world behind and of increasing the gap between the haves and have-nots.

We are some 4 billion people in Asia and Africa. We cannot just say that we are being marginalised by globalisation. We need, instead, to be defining it. We need to act collectively in dealing with issues relating to the international trading system and the international financial architecture. If we can do so, globalisation can lead to a win-win situation for all of us.

It is, therefore, indeed appropriate that the Plan of Action which we would be adopting seeks to support efforts to assist the countries of Asia

and Africa to acquire the requisite capacities to successfully compete and fully benefit from globalization. The new partnership between Asia and Africa, which we seek to build needs to be relevant to the countries of the two continents. We need to recognize that the issues of common concern which call for closer cooperation and collective action are also those of poverty, under-development, gender mainstreaming, communicable disease, environmental degradation, natural disasters, drought and desertification, the digital divide, inequitable market access and foreign debt. These have, very rightly, been emphasized in the Declaration of our New Partnership.

India has benefited from globalisation. It could not have been imagined a decade ago, that India would be a major software services exporter and that a new process 'brain gain', not 'brain drain', would be created by the opportunities in this sector. Information technology enabled services, which globally positioned India, are now facing competition from the R&D sector. More than 100 Fortune 500 companies have put up R&D facilities in India in the last few years. For quite a few companies, the facilities in India are the largest outside the United States.

We have been able to take advantage of globalisation, because of our well-trained human skills. Human resource development is a must for economic development, particularly now as we move towards a knowledge-based economy. The countries of Asia and Africa have an intrinsic advantage, in their vast pool of talented people, to benefit from the process of globalisation.

We are happy to be able to assist our brothers and sisters in Africa in Asia, to take advantage of the new paradigm of economic development, through the Indian Technical And Economic Cooperation Programme. Under this Programme, we offer 1000 training slots to African countries every year. The utilisation is roughly 95 per cent. The approximate monetary value of technical assistance, including training, deployment of experts and projects, which we have extended under this Programme is about US dollar one billion.

We are also committed to deepening our economic linkages with Africa. Investment in Africa is now a priority for us. This goes, hand-in-hand, with development cooperation. We have announced US dollar 200 million in lines of credit for projects, which fulfil the objectives of NEPAD. We have

also embarked on an initiative with eight West African countries, known as the Team Nine Initiative. This is based on public-private partnership and can undertake bilateral and sub-regional projects with funding of US dollar 400 million in lines of credit, which we have made available. Taken together with our bilateral lines of credit to individual African countries, the total adds to US dollar one billion.

Co-Chairmen,

Our meeting comes in the aftermath of the Tsunami. We clearly need to also address the issue of Asian-African cooperation with regard to disaster reduction. I recall that I had, at the special meeting of leaders convened by ASEAN in the aftermath of the Tsunami, here in Jakarta on January 6, 2005 said: "Existing vocabularies are inadequate to describe the intensity and magnitude of the horrendous catastrophe that hit a dozen countries of the Indian Ocean. The light went out of so many homes in so many countries in so short a span of time – only a few minutes."

The best way that we can honour the dead is by protecting the living. Earthquakes, floods, cyclones, drought, locusts and other natural disasters wreak devastation for tens of millions of people every year. They cause a disproportionate loss to developing countries who are ill-equipped to deal with the ravages of nature.

Natural hazards need not inevitably lead to widespread disaster. Droughts, for example, are largely unavoidable. They need not, however, necessarily lead to famine if our social economic systems are resilient to the impact of natural disasters. Disaster risk reduction, therefore, needs to be an essential investment for sustainable development. We cannot only limit our focus and resources on responding to disaster. We must also reduce the risk of disaster.

The Tsunami has shown that natural disasters do not respect national boundaries. It is, however, not just tragedy that can bring us together. The 1955 Bandung Conference demonstrated our ability to work together for the common welfare of the peoples of our two continents. As we commemorate the Bandung Conference this year, it is only appropriate that we should discuss ways in which we can cooperate to reduce the risk of disaster. A joint approach could complement national efforts and allow us to pool together our respective strengths and complementarities

effectively and efficiently. This is an area that, in our view, merits consideration by this Conference.

Co-Chairmen,

Peaceful coexistence and nonalignment were, in 1955, in our view, necessary for world peace. With the purpose of saving time, India did not speak at the opening session of the Bandung Conference. I would, however, like to recall the words of Pandit Nehru in the Political Committee on April 22, 1955. Dr Roeslan Abdulgani, who was the Secretary-General of the Conference, has recorded that when Nehru spoke, "Everyone listened spellbound. It seemed that nobody stirred". Pandit Nehru, referring to the developments in the early years of the Cold War said:

"If all the world would to be divided up between these two big blocs, what would be the result? The inevitable result would be war. Therefore, every step that takes place in reducing the area in the world which may be called the unaligned area is a dangerous step and leads to war."

The need today, we believe, is to increase the area of economic cooperation and collaboration. Globalisation provides some of the conditions for doing so. Such collaboration can, we expect, also help in putting political differences behind us. The New Asian African Strategic Partnership, we hope, will take us in that direction.



060. Joint Ministerial Statement on the New Asian-African Strategic Partnership Plan of Action.

Jakarta, April 20, 2005.

We, the Ministers of the Asian-African countries, assembled in Jakarta on 20 April 2005 for the Asian-African Ministerial Meeting:

Reaffirming our commitment to the Spirit and Principles of Bandung as enshrined in the Final Communiqué of the 1955 Asian-African Conference and the Charter of the United Nations;

Acknowledging the need to build a bridge between Asia and Africa based on shared vision and conviction, solidarity, equal partnership, common ownership, mutual respect, interest and strength;

Emphasizing the importance of complementing and building upon existing initiatives as well as internationally agreed development targets and goals emanating from various Conferences and Summits inter alia Millennium Development Goals, Monterrey Consensus, Johannesburg Plan of Implementation, and Doha Development Agenda;

Recognizing the need to enhance technical cooperation and capacity building as well as human resource development to address challenges of common concern;

Emphasizing the prominent and leading role of all Asian and African regional and sub-regional organizations in the NAASP, and the supportive role of regional development banks and United Nations regional economic commissions in promoting Asian-African partnership;

Desiring to realize mutually beneficial areas of cooperation that are pragmatic, structured, and sustainable;

To these ends, we shall strive to implement the following concrete measures in three broad areas of partnership, to which we assign special significance:

A. Political Solidarity

1. Promoting conditions essential for greater political cooperation and

confidence building, conducive to the attainment of peace and stability in both regions;

2. Striving to prevent conflict and resolve disputes by peaceful means including through enhanced dialogue, preventive diplomacy, conflict resolution and post-conflict reconstruction;
3. Encouraging regional, sub-regional and national mechanisms for preventing conflict and promoting political stability and supporting efforts in peace keeping and post-conflict peace- building;
4. Supporting the peaceful settlement of the question of Palestine and a lasting peace in the Middle East and calling upon the Quartet and the international community to ensure the implementation of the Roadmap;
5. Strengthening democratic institutions and popular participation by, among others, sharing of best practices and experiences;
6. Promoting and protecting human rights and fundamental freedoms through dialogue and capacity building;
7. Strengthening international and inter-regional cooperation to fight terrorism in all its forms and manifestations in full conformity with international law as well as to address its underlying causes;
8. Combating transnational crimes in all its dimensions inter-alia money laundering, illicit trafficking of drugs, small arms and light weapons as well as trafficking in persons particularly women and children, through capacity building among law enforcement agencies in the two regions;
9. Preventing and combating corruption through promoting good governance and a culture of integrity based on the rule of law;
10. Promoting the reform of the United Nations with the aims of strengthening multilateralism, reinforcing the role of the United Nations in maintaining and promoting international peace, security and sustainable development, as well as ensuring greater participation for and share among Asian and African countries in its decision-making processes.

B. Economic Cooperation

1. Supporting efforts to create an enabling international economic

environment, which is critical for Asian and African countries to acquire the requisite capacities to successfully compete and fully benefit from globalization;

2. Resolving the issue of poverty in a collective and comprehensive fashion through mobilizing resources for sustained economic growth, resolving debt issues, developing internationally agreed innovative financial mechanisms, capital market cooperation, ensuring flows of international development assistance, improving market access and addressing unfair and trade-distorting subsidies, addressing weak and unstable commodity prices, and enhancing flows of investment;
3. Promoting and facilitating direct trade and investment between Asia and Africa;
4. Maximizing the benefits of trade liberalization through improved market access for products of export interest to Asian and African countries, including by striving to provide voluntary non-reciprocal market access for Asian-African Least Developed Countries (LDCs);
5. Building effective and targeted technical assistance and capacity building programs to allow Asian and African countries to integrate into the world economy and enhance competitiveness;
6. Striving for sustainable development, food security, and rural development through enhanced cooperation in the areas of agriculture, water resources, fishery, and forestry;
7. Maximizing the benefits arising from the protection of intellectual property rights by inter alia advancing the protection of genetic resources, traditional knowledge and folklore, as well as from flexibilities provided by trade related intellectual property rights agreements;
8. Strengthening cooperation among Small and Medium Enterprises (SMEs) in Asian and African Countries by means of education and skill enhancement as well as sharing best practices and experiences;
9. Strengthening cooperation in narrowing the digital divide, creating digital opportunities, and supporting initiatives such as the World Summit on the Information Society (WSIS) aimed at harnessing the potential of information and communication technologies for development;

10. Fostering research and development and the sharing of relevant technologies, including nanotechnology, biotechnology, and vaccine research;
11. Promoting the development of sustainable energy resources and technologies including geothermal, biogas, solar, hydro-power, and nuclear energy for peaceful purposes;
12. Undertaking joint exploration of the Indian Ocean, including marine resources, marine scientific research, safety of navigation and communication at sea, and search and rescue operations, to further bridge the divide between the two regions;
13. Encouraging the establishment of an Asia–Africa Business Forum to enable greater contact among private sectors in contributing to increased flows of trade and investment among Asian and African countries.

C. Socio-Cultural Relations

1. Fostering greater people-to-people contacts so as to enrich civil society and good governance as well as ensure that cooperation development reaches the different levels of society in countries in Asia and Africa;
2. Enhancing dialogue among civilizations, including interfaith dialogues, with a view to promoting peace and development through mutual understanding and tolerance among societies;
3. Promoting mutual understanding of diverse cultures and societies through inter alia cultural exchanges, preserving and restoring the cultural heritage of our peoples and the establishment of a Cultural Dialogue Forum;
4. Advancing youth, gender equality, education, science and technology, with a view to enhancing the capacity of human resources, overcoming illiteracy and improving the quality of life;
5. Fighting against HIV/AIDS, tuberculosis, malaria and various other epidemics and communicable diseases through prevention, treatment and care which are based on the advancement of public community health, a coordinated and sustained global response, as well as greater availability of medicines at an affordable price;

6. Enhancing the role of the media in promoting the sharing of information and greater knowledge of the ways of life in Asian and African countries;
7. Developing a network among universities, libraries, research institutions and centers of excellence in Asia and Africa, including linkages with existing regional, inter-regional and international agencies, with a view to sharing and expanding the pool of resources, skills and knowledge as well as developing mechanisms for scholarships and exchanges;
8. Building cooperation to improve environment protection, through inter-alia, responsible use of non-renewable natural resources, transfer of environmentally sound technology;
9. Striving for improved management and conservation of biodiversity while respecting and protecting the rights and socio-cultural practices of local communities;
10. Advancing efforts to create an emergency preparedness mechanism and early warning system concomitant with on-going efforts to better deal with and mitigate natural disasters.

We appreciate the efforts of several countries and organizations that conducted studies, as mandated by the Asian-African Sub-Regional Organizations (AASROC) Ministerial Working Group Meeting and AASROC II. We express our satisfaction with the deliberations of the Sub-Regional Organizations in also providing concrete recommendations to further our cooperation.

We welcome the efforts of the business community to promote closer economic and trade cooperation through the convening of the First Asian-African Business Summit. We look forward to continued progress and interaction between our business communities.

We acknowledge with appreciation the outcomes emanating from the Workshop on the Role of Women and Youth in Furthering Asia-Africa Cooperation as well as the Asian-African Symposium on Renewable Energy.

We welcome the generosity of the Provincial Government of West Java in providing a venue in Bandung, Indonesia, for the establishment of

an Asian African Village in celebration of the mutual bond of friendship between Africa and Asia.

We note with appreciation the Co-chairmanship of Indonesia and South Africa, and the warm hospitality and excellent arrangements made for the Meeting by the Government and people of the Republic of Indonesia.



061. Media briefing by Secretary (East) Rajiv Sikri on the eve of Prime Minister Dr. Manmohan Singh's visit to Jakarta and Bandung.

New Delhi, April 21, 2005.

Official Spokesperson : Ladies and gentlemen, as you know Prime Minister would be leaving for Jakarta and Bandung tomorrow. We are grateful to Mr. Rajiv Sikri, Secretary (East) in the External Affairs Ministry that he has joined us to brief the press, which also includes the traveling media. I request Secretary (East) to first make his remarks and then we will take questions.

Secretary (East) : Good afternoon, ladies and gentlemen. As you are aware, Prime Minister is leaving tomorrow morning for Jakarta to participate in the Asian-African Summit 2005 which is to commemorate the Golden Jubilee of the historic 1955 Bandung Summit that was convened from 18th to 24th April 1955, in which India had played a leading role. Prime Minister Jawaharlal Nehru was the leading figure there. In fact, that Summit was co-hosted; it was organized by India, Indonesia, Pakistan, Sudan and Burma.

This Summit has the objective of reinvigorating the spirit of 1955 Bandung Conference to promote solidarity and cooperation among the countries of Asia and Africa. In 1955 there were 29 participants, only six from Africa because most of the African countries were then under colonial rule. By contrast this time there will be 106 participants of which, according to the figures that I have, there will be 52 from Africa and 54 from Asia. That just brings out how far we have come in these 50 years in the process of decolonisation and the role that the African and Asian countries are playing in the world today.

Many of the countries - about 50 or so or maybe more – would be attending the Summit at the highest level, that is, at the Head of State or Government level. I think it is interesting to note that these 106 countries constitute about 73 per cent of the world's population. Therefore, it is a very representative forum. The co-hosts for this event are Indonesia and South Africa. The idea emerged in meetings and conversations between President Mbeki of South Africa and the then President of Indonesia Megawati Sukarnoputri about two-and-a-half, three years ago. And then there were a series of preparatory meetings of the ASROC in Bandung and in Durban in 2003. In 2004, the invitations were extended initially by President Megawati and renewed by President Yudhoyono.

The Bandung Conference, as we all know, was a historic event because it paved the way for Afro-Asian solidarity. The whole concept of following an independent line in world affairs leading to the birth of the Non-Aligned Movement, the coming of issues like decolonisation and apartheid to the international agenda, all these can be traced back to the Bandung Conference. There is, of course, the economic agenda also. The issues of market access, fair prices and so forth which are now increasingly important in a fast globalising world.

The Summit is expected to issue a declaration on the new Asian-African Strategic Partnership. The Ministers, who have been meeting in Jakarta for the last couple of days, yesterday adopted a plan of action for implementation of the NAASP or the New Asian-African Strategic Partnership. It is a broad visionary document that you will get to see when you are in Jakarta. It is expected that this Conference would lead to some kind of an agreement on holding it at regular intervals both at the Summit and the Ministerial levels. Maybe a Summit once every few years and once every couple of years would be the Ministerial segment.

There are two elements of the programme – one, of course, is what is happening in Jakarta and then on the 24th the leaders will fly to Bandung where the historic Bandung Summit took place. They will have historic walk from the hotel where the leaders stayed, to the Gedung Merdeka where the Conference actually took place. And some other events around that leading up to a lunch that will be co-hosted by the President of Indonesia and the Governor of West Java.

On the margins of the main event there will be a number of side events like the African-Asian Symposium on Renewable Energy, a Workshop on the Role of Women and Youth, and of course an Asian-African Business Summit in which CII and FICCI are participating. We are also participating in these other two events I just mentioned.

To give you a quick run down of the programme, the Prime Minister will be participating in the Dinner which the President of Indonesia is hosting tomorrow evening. Then, of course, there is the actual Summit on the 23rd where he will be speaking and there will be signing of the Declaration. Later in the evening he will have an opportunity to meet the members of the Indian community at a reception that would be hosted by our Ambassador. Of course, as is normal during such multilateral events, he will use the opportunity of his presence and that of the other leaders from Asia and Africa at Jakarta to have a few bilateral meetings.

That in brief is the programme and the course of events there.

Question : As for the bilateral meetings who all is the Prime Minister meeting?

Secretary (East) : These things are still being worked out. But I anticipate that he will have, depending on time, about half a dozen or so (meetings). He will naturally be meeting his host the President of Indonesia. He will be meeting the President of China, the President of Afghanistan, Prime Minister of Sri Lanka, and the Prime Minister of Singapore. These are some of the events.

Question : Is he meeting King Gyanendra?

Secretary (East) : I am not aware of any such meeting.

Question : How has India contributed to the Summit and what does India expect out of this?

Secretary (East) : India, as I just mentioned, is one of the leading organizers of the Bandung Summit. We have been in the forefront of the whole movement of Afro-Asian solidarity, the anti-colonial movement, the decolonisation, the anti-apartheid movement. Our contribution to this whole process is well recognised in Asia and among the African countries. So, it is only fitting that when there is a commemorative event for such a historic

event like Bandung Summit, and Prime Minister Nehru's statement at that time is still regarded as one of the seminal documents that shaped the thinking of the world in this regard, it is perfectly natural that India should be appropriately represented at this event.

Question : Colonialism, apartheid and NAM are all irrelevant today. What do we exactly want from this Summit?

Secretary (East) : I do not know why you think all these are irrelevant. After all if a country is sovereign, if it is independent, if it is able to hold its head high, these are not insignificant developments. We ourselves are very proud of the fact that we are strong, independent, sovereign, and that we have been helping others in a spirit of south-south cooperation to have their independence and sovereignty. I do not see how it is irrelevant. The Non-Alignment Movement also has been having its regular Summits including the last one in Kuala Lumpur in 2003. So, I do not think such ideas become irrelevant.

Question : You talked about strategic partnership. Can you elaborate a bit more on that?

Secretary (East) : Let me not anticipate what the leaders are going to discuss on the side. But, I think the very fact that 106 countries, and many of them at the highest level, think that it is worth their while to get together to reaffirm the solidarity of the Asian and African countries which are going to be playing an increasingly important role in world affairs in the coming years, is itself very significant.

Question : Are there any chances of a bilateral meeting between Prime Minister Dr. Manmohan Singh and Begum Khaleda Zia, or between Mr. Natwar Singh and Bangladesh Foreign Minister Mr. Morshed Khan? And, if such a meeting takes place, will India raise the Akhaura incident?¹

Secretary (East) : As far as I am aware, Begum Khaleda Zia is not participating in the Summit. I believe that Bangladesh would be represented by Mr. Morshed Khan. I am not aware that there is any meeting that has been fixed. But, certainly if any meeting does take place the Akhaura incident and what has happened would figure.

1. For details see Document No. 106.

Question : Bangladesh Minister of State for Home Affairs had called Mr. Shivraj Patil but there are no firm indications that he expressed apologies for the Akhaura incident. Have you demanded an apology?

Official Spokesperson : I think you are right that the Minister of State for Home Affairs did call up our Home Minister and he has expressed regret. He has said that an investigation is under way; responsibility will be fixed and action taken.

Question : ...(Inaudible)...

Official Spokesperson: Correct. Yes, there is an inquiry being headed by the Joint Secretary (Police) in the Bangladesh Home Ministry.

Question : It is being said that this Inquiry Committee is hogwash; it would have been purposeful only if it were a Joint Committee of the two countries.

Official Spokesperson : I think I would not like to characterize that as what you have done. We would hope that, as assured by the Minister of State for Home Affairs, action will be taken and responsibility will be fixed.

Any other questions on the Jakarta visit?

Question : Is India interested in having the Asian-African Summit to evolve a consensual position on UN reform, Security Council reform, which may take the form of all 106 countries expressing their preference say for Model-A or Model-B?

Secretary (East) : I do not think that we are likely to get the specific consensus that you are looking for. But, in general terms, I think every one has agreed that UN does need reform in the changed circumstances of today.

Question : So, the document is not going to go into any specifics.

Secretary (East) : I do not have the draft document.

Question : Is there a meeting planned on the sidelines between the UN Secretary General and the Prime Minister because he is also coming to India?

Secretary (East) : The UN Secretary-General is coming to Delhi next week.

EAM has met him today.

Question : But there is no meeting planned between him and Prime Minister?

Secretary (East) : I am not aware that there is a meeting. He is coming here just for two days from next week, I think Monday-Tuesday.

Question : What exactly did Jawaharlal Nehru say which is considered seminal?

Secretary (East) : I do not have the full text. I can give it to you, if you like. It is easily available on the websites. I do not have it right with me in my papers here. But this is public document.



062. Statement by Prime Minister Dr. Manmohan Singh before his departure for Jakarta to attend the Asian-African Summit and Commemoration of the Golden Jubilee of the Asian-African Conference of 1955.

New Delhi, April 22, 2005.

I am leaving for Jakarta, Indonesia today to participate in the Asian-African Summit from 22-23rd April and in the Commemoration of the Golden Jubilee of the Asian-African Conference (1955) to be held in Bandung on April 24. This is an event of great significance as India was one of the original sponsors of the 1955 Bandung Conference and Pandit Nehru personally played a leading role in its organization and success. On this occasion, we recall his contribution to the sense of solidarity that imbued Asia and Africa following Bandung.

The leaders of 106 Asian and African countries are expected to participate in the Asian-African Summit which is intended to reinvigorate the Spirit of Bandung as enshrined in the Final Communiqué of the Asian-African Conference held there in 1955. At this meeting, we would sign a Declaration on a New Asian African Strategic Partnership renewing and

reaffirming our commitment to the values enshrined in the original Bandung Conference.

We see the New Asian African Strategic Partnership as a forward-looking framework intended to build a bridge between Asia and Africa covering three broad areas of partnership- political solidarity, economic cooperation and socio-cultural relations. The New Asian African Strategic Partnership shall emphasize the need to promote practical cooperation between these two continents in areas across the spectrum such as trade, industry, investment, finance, tourism, information and communication technology, energy, health, transportation, agriculture, water resources and fisheries.

During my stay in Jakarta, I also expect to renew bilateral contacts. I hope to have meetings with several leaders who will be in Jakarta including our host, the President of Indonesia, and leaders from China, Sri Lanka, Afghanistan, Vietnam and Singapore.



063. Press briefing by Secretary (East) Rajiv Sikri on Prime Minister's engagements in Jakarta.

Jakarta, April 23, 2005.

Secretary (East) : ...for their support within the ASEAN which has resulted in an ASEAN consensus to have India as a participant in the first East-Asia Summit that will take place later this year in December. The Prime Minister has said that he would look forward to participating in that Summit and to cooperate with like-minded countries in our common endeavour. Prime Minister invited President Yudhoyono to visit India. The invitation was accepted. The President of Indonesia also conveyed his appreciation and thanks for the assistance that India gave for tsunami relief and Nias earthquake.

The second meeting, which the Prime Minister had was with the Prime Minister of Sri Lanka Mr. Rajapakse, who also very warmly thanked India for the generous and prompt tsunami assistance that was received from India. Prime Minister said that India would be happy to share our

experience and whatever else we could do to help in the reconstruction activities in Sri Lanka.

The Prime Minister of Sri Lanka said that the economy was recovering well. He responded positively to the Prime Minister's suggestion that perhaps India and Sri Lanka could work together on a disaster management system. It should cover not only tsunami but all kinds of natural disasters because we are neighbours and the impact of many natural disasters is common on both countries. It was also agreed that we should work towards early finalisation of the Comprehensive Economic Partnership Agreement, and that is being worked on by both sides.

The Prime Minister also met with President Hamid Karzai of Afghanistan who, as you know, was in India not so long ago. President Karzai talked about the preparations for the forthcoming parliamentary elections in Afghanistan and reaffirmed the necessity of strengthening democratic institutions in Afghanistan that were essential for Afghanistan's progress. A vibrant parliament with a vigilant opposition, he said, was necessary to ensure accountability of the Government. The Prime Minister said that we would be happy to continue with our assistance to Afghanistan in any field that would help in ensuring that there is peace and stability there and in the reconstruction activity that Afghanistan is engaged in. You are aware that India already has an extensive cooperation and assistance programme with Afghanistan. President Karzai welcomed the positive outcome of the recent India-Pakistan Summit, and made a reference to the positive references both in President Musharraf's statement yesterday as well as in the Prime Minister's statement today. He said that he hoped that better Indo-Pakistan relations would also help India-Afghan relations that if there were transit facilities available then this would enable India-Afghan trade and economic relations to grow.

The Prime Minister also had a meeting with His Majesty the King of Nepal. His Majesty the King of Nepal and the Prime Minister deliberated on the situation in Nepal. It was agreed that it was necessary to restart the political process without delay, and that this in turn would enable His Majesty's government to deal with the Maoist insurgency. Accordingly, His Majesty informed the Prime Minister that the political process in Nepal would be restored as early as possible. Their conversation was frank and cordial. Both emphasized the unique nature of India-Nepal relations. The meeting

lasted forty-five minutes. The External Affairs Minister Mr. Natwar Singh was also present during the discussions.

The last meeting, bilateral meeting, which the Prime Minister had this morning, was with the President of Vietnam Mr. Tran Duc Luong. President of Vietnam talked of the traditionally friendly relations that India has enjoyed with Vietnam, and that India is considered by Vietnam as a major friend. He recalled the visit of the General Secretary of the Congress Party of Vietnam a few years ago to India and the goodwill shown there. He expressed his sincere and deep satisfaction at India's continued and strong economic growth and said that it was a very good signal and something that would greatly contribute towards promoting peace and stability in the world. The two leaders discussed the further development of India-Vietnam bilateral relations and (noted) that regular exchange of high-level visits and at other levels would give a boost to this cooperation. The President of Vietnam has extended an invitation to our President to visit Vietnam, and he said that he will look forward to receiving our President in Vietnam in the near future. He also invited the Prime Minister to visit Vietnam.

The Prime Minister said that we attach great importance to developing our relations with Vietnam, particularly in the economic field, and that the energy cooperation between India and Vietnam has many promising areas. India is already present in Vietnam in this sector and there could be new opportunities that could come up. Other areas of cooperation that were identified were space, atomic energy and an agreement that the Foreign Ministries of both sides would be instructed to have a more purposeful and intensive programme that would envisage more exchange of visits, business delegations, tourists and other people to people contacts which are extremely important to build a good edifice of India-Vietnam relations. The Prime Minister thanked the Vietnamese President for the support that Vietnam had given for Indian participation in the East-Asia Summit. The Vietnamese President referred to Vietnam's desire to join the WTO and sought India's support which Prime Minister said we would most certainly give.

This was in essence the outcome of the Prime Minister's meetings this morning.

Official Spokesperson : ... any questions at this stage?

Question : Did the specific issue of Indian arms sales to Nepal come up in the meeting?

Secretary (East) : I have nothing more to add to what I have already stated.

Question : There is a reference being made about the ...(Inaudible)...he was making some gesture of ...(Inaudible)...

Secretary (East) : The Prime Minister was referring to the reference in President Musharraf's state speech yesterday to India-Pakistan relations and the positive outcome of the recent Summit. Let me draw your attention to the fact that the tone of President Musharraf's speech yesterday and the references to India, as well as the tone of the Prime Minister's speech and the references to Pakistan, were very warm and cordial. I think the Prime Minister referred to the sentiments expressed by President Musharraf in his speech yesterday. It was not a reference to any conversation. They just had a chat at the dinner. There was no time for them to have any conversation there. But the reference was to the speech at the Afro-Asian Summit.

Question : There are reports coming from the Nepalese side that Nepal has assured release of more political prisoners apart from the political prisoners who have already been released.

Secretary (East) : I believe that the Foreign Minister of Nepal may have spoken to the press. I am not aware of the details.

Question : ...(Inaudible)...

Secretary (East) : As I said, I really do not have anything more to add to what I have said already. Thank you.



064. Statement by Prime Minister Dr. Manmohan Singh at Asian-African Conference.**Jakarta, April 23, 2005.**

It is an honour to participate in the 50th anniversary of the Asian-African Conference. We salute President Yudhoyono and President Mbeki for piloting this great initiative. I also thank the government and people of Indonesia for their warm hospitality.

Today we commemorate the internationalism of visionary leaders of Africa and Asia such as Prime Minister Jawaharlal Nehru, President Sukarno, Premier Zhou Enlai, President Gamal Abdul Nasser, Prime Minister U-NU, Prince Sihanouk, and Prime Minister Pham Van Dong.

These celebrations prove that the Bandung spirit remains a source of inspiration. Speaking for India, it is a particular pleasure to recall the mutually enriching encounters between our peoples over the millennia and to invoke the shared vision of these great leaders, committed to creating an Afro-Asian identity.

The Bandung Conference inherited the mantle of the Asian Relations Conference of 1947 and the Conference of Asian and African Nations of 1949. Our first Prime Minister was closely associated with these events. The ten principles emerging from Bandung inspired the Non-Aligned movement, which is one of the greatest peace movements ever.

Mr. Chairman and Excellencies, at the Asian Relations Conference in 1947 Nehru said that "we stand at the end of an era and on the threshold of a new period in history". Mr. Chairman, we too stand at a similar cusp of change. Barring the brave Palestinian people, most peoples on our two continents have achieved freedom or statehood. The world has changed dramatically these past decades. Colonialism and apartheid have been comprehensively defeated.

Today, a new cooperative global structure is within our reach. The proliferation of regional associations promises considerable benefits through mutual cooperation. Rapid economic development and technological progress are generating unprecedented changes.

Although mass poverty still afflicts millions in Africa and Asia, most

countries experiencing growth in excess of 5% per annum are in these two continents. We live in a world of falling barriers to trade and rising living standards.

Mr. Chairman Sir,

Ours is a world of unprecedented connectivity. Thanks to the communication and information technology revolutions, distance has lost its old meaning. Fifty years after Bandung 1955, we meet in a smaller and more integrated world. Migration and more open economies are creating multi-cultural societies. Globalization enables instant availability of information and freer competition for opportunities.

It is not coincidental that increasing openness, democracy and social awareness follow the process of globalization. Recent advances in science and technology provides us unparalleled instrumentalities to combat age-old problems of poverty, ignorance and disease. Properly managed, globalization can effect a significant improvement in the human condition in the span of a single generation.

However, along with the opportunities, globalization brings with it new challenges. The globalization of disease and insecurity, and the management of scarce natural resources are challenges posed by HIV-AIDS and terrorism. All require a global approach and a global solution.

A cooperative and consensual international security order eludes us, and its consequence is insecurity, not common security.

Increased competition – internal and external- helps those who are strong enough to benefit from the new opportunities. However, it can hurt those who are ill-equipped to face the challenges of competition. We must adopt concerted measures, both at the national and the international level, for an equitable management of increased global interdependence of nations. At the national level, the state must be modernized to create an environment conducive to creativity and growth and also to ensure that the fruits of growth are fairly and equitably distributed.

At the global level, we must devise instrumentalities to deal with imbalances built into the functioning of the international political and economic order. We should aim to expand the constituency that supports process of globalization.

Mr. Chairman Sir, to meet these challenges and constraints, we must respond in a manner worthy of the Bandung spirit. Just as that historic meeting redefined the agenda for its times, we must do so once again here today. The declaration on a new Asian African Strategic Partnership outlines guiding principles for joint action to achieve our goals in a changed global environment.

It must awaken a global conscience that recognizes the moral imperatives of social justice, poverty alleviation and the core elements of our millennium development goals. We must create new structures of mutual support, solidarity and cooperation to benefit from best practices and appropriate technologies amongst us. This is required as urgently today, as it was fifty years ago.

Mr. Chairman Sir, in this spirit, let me outline the specific areas where such cooperation is vital.

- We must strive to evolve formulae to phase out trade - distorting agricultural subsidies in developed countries and to remove barriers to our agricultural exports, while protecting the livelihood security of millions of farmers.
- We need a lowering of tariff and non-tariff barriers to our other exports. Rigid visa restrictions continue to obstruct the free movement of our people and services, depriving us full benefit from our own economic strength. We need greater protection for our bio-diversity resources and fair recompense for their exploitation by others.
- We understand and appreciate the international concern for the protection of the environment, which we fully share. However this goal needs to be balanced with the development aspirations of the developing nations. We need assured access to environment – friendly technologies and the resources to induct them into our systems.
- We also need urgent measures to generate additional financial resources for development, especially for the least developed countries and the highly indebted poor countries.
- We must ensure that access to both new and appropriate technologies and to the cutting edge areas of science and technology

are expanded greatly amongst us. Advances in biotechnology can promote revolutionary changes in agriculture and health care systems. While our continents include both major producer and consumers of energy, the framework within which we produce and consume energy is determined elsewhere.

- We must address this anomaly. Similarly, new and renewable sources of energy can provide a more secure energy environment. Further more, in this information age, imaginative strategies of human resources development based on information and communication technology can greatly accelerate the pace of social and economic development. Afro- Asian nations can benefit from cooperative management of research and development in these areas.

Sir,

Our countries have our own distinct perspectives on measures to combat international terrorism which has emerged as a major global problem. We are well equipped to initiate and sustain meaningful “dialogue among civilizations”, instead of subscribing to the theory of the so-called clash of civilizations. Our voice must be heard in this regard.

We account for over half of humanity and we represent a kaleidoscope of diverse cultures. Our continents bring together most of the great religions of the world. Yet we do not have commensurate voice in the International institutions of the world.

Therefore, democratization of the United Nations and its specialized agencies must be a fundamental plank of our strategic partnership. The evolving global economy needs the guiding hand of a well managed global polity to bring about both an efficient and equitable management of global interdependence.

Mr. Chairman Sir, to achieve these goals, our strategic partnership must be inspired by a common vision of globalization based on maximizing cooperative self reliance .It must benefit from the unique perspectives of Afro-Asian countries to our specific problems. We must ensure that in the transition from dependence to interdependence, there is a greater cohesion between the nations of Asia and Africa.

Regrettably, South - South linkages have weakened when they are

most required. India sees South – South cooperation as an effective cooperative approach to the challenges of development in this 21st century. We are committed to this objective.

Mr. Chairman, Excellencies, Jawaharlal Nehru has said that when we march step in step with history, success will be ours. The breathtaking pace of change in our times gives us an opportunity and a responsibility to act decisively. We can transcend past rancours and take new initiatives to cerate new cooperative mechanisms and regional partnerships.

In this spirit, in cooperation with our neighbour Pakistan, we have embarked upon a journey of peace and good neighbourly ties. I appreciate the positive sentiments expressed by President Pervez Musharraf yesterday, which I fully reciprocate. We are sincere in our desire to resolve all issues in a mutually acceptable manner. This will surely bring benefit to our people and to our region.

Mr. President.

Excellencies, the Bandung Conference of 1955 followed the awakening of Asia and Africa. We meet today in similarly historic circumstances, at the threshold of change that place us centre-stage-globally.

Let us work together to ensure that this conference will be remembered as that defining moment in world history when we establish the goal of a positive and enlightened ethic of globalization, built on democratic foundations and a genuine commitment to the cause of pluralism.



065. Statement by Prime Minister Dr. Manmohan Singh at the Golden Jubilee celebrations of the Bandung Asia-Africa Conference of 1955.

Bandung, April 24, 2005.

Your Excellency President Yudhoyono,
Your Excellency President Mbeki,
His Excellency the Secretary General of UN,

Your Majesties, Royal Highnesses, Excellencies, Distinguished Ministers and Delegates,

I am truly delighted to be amongst you on an occasion that is both moving and historic. In walking to this magnificent building, we have literally followed in the fifty year-old footsteps of our founding fathers, at an event that altered the destiny of our nations in the 20th century. I therefore deem it a great honour to stand before you on behalf of the Asian continent.

The stirring words of Prime Minister Jawaharlal Nehru at the moment of India's independence appropriately define that high noon of internationalism and idealism five decades ago. He said, "a moment comes, which comes but rarely in history, when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance." It was truly the soul of the people of Asia and Africa that found expression in Bandung that day fifty years ago.

If we look at the distance we have traversed over these decades, it is evident that our nations had made dramatic and effective progress in reshaping the global order during the post war era. In the 1950s, there were a mere handful of countries from Asia and Africa in the United Nations. Now, we are all members not only of the United Nations and many of its agencies, but also of a number of flourishing regional and trans-regional organizations of our own. Our people now freely exercise the freedom to mould their own destinies. These developments did not occur overnight after removing colonial governments. It required the evolution of political, legal, social and cultural systems to ensure that liberty is not only guaranteed to our citizens by law, but that they can actually exercise it in real practice.

Excellencies,

At the international level, political emancipation for our countries

also created the incentive to seek a more democratic and open world order. The Bandung conference enabled a consensus amongst us that the newly independent nations of our two continents must have an independent voice. This determination that our nations would not be dominated by any other country or group of countries led directly to the holding of the first meeting of the Non-Aligned Movement in Belgrade in 1961. The Non-Aligned Movement was rooted therefore in the Bandung spirit, and it is only appropriate that the summary made by the co-Chairs of the Ministerial meeting of the Summit in Jakarta a few days ago underlines our commitment to the spirit and principles of Bandung and the Non-Aligned Movement.

Excellencies,

In the context of the present global challenges, Non-Alignment remains a valid and effective instrument to ensure the creation of a more just and fair global order. We must ensure that the architecture of international institutions is democratized and made more representative. This restructuring should include the United Nations and its specialized agencies and the international financial institutions as well. We must also ensure that the global trading system is made more sensitive to the needs and aspirations of poorer countries. Just as the NAM played a central role in the struggle for political emancipation in the past, we need to revitalize this movement to make it a vehicle for rapid social and economic transformation and emancipation in our times.

Excellencies,

In seeking to address the challenges before us, we should move in two directions in parallel. At one level, cooperation between our developing nations must increase manifold. This will not only give us the benefits of solidarity, it will also force us to look within for suitable solutions and appropriate technologies to address the very basic problems that confront us all. We may well find that solutions to such problems are available amongst us. We can learn a great deal from each other's experiences, borrow from each other's best practices and work together to find simple but effective solutions to many of our problems. But this will not happen if we ignore the importance of maintaining horizontal linkages between us in this age of globalization.

At the same time, we must also realize that if development is to be

truly sustainable, it cannot be transplanted from outside. It must be intrinsic and appropriate to our societies. We should be aware of the lacunae in our processes of governance which prevent us from effectively delivering basic services to our people. Our structures of governance must be modernized and made more suitable and accountable to the needs of our times. Our goal must be to ensure the improved delivery of basic services to all our citizens. We need to act on the adage that power is a sacred societal trust, and we owe it to all our people to ensure that this power is expended for the common good.

Excellencies, Ladies and Gentlemen,

The declaration of the Bandung Conference 50 years ago that the problems of the Asian and African countries are part of the larger problems of the world represented an approach in accord with a civilizational tradition of accommodation, tolerance and universality. This vision was reflected by Jawaharlal Nehru in 1947, when he said “peace has been said to be indivisible; so is freedom, so is prosperity now, and so also is disaster in this one world that can no longer be split into isolated fragments”. This vision of oneness and the principles of solidarity, cooperation and friendship which brought together some of the most eminent Afro-Asian leaders here 50 years ago must inspire and unite us in our own quest to establish a peaceful, prosperous and equitable world.



066. Declaration on the New Asian-African Strategic Partnership.

Jakarta, April 24, 2005.

We, the Leaders of Asian and African countries, have gathered in Jakarta, Indonesia on 22-23 April 2005 for the Asian-African Summit to reinvigorate the Spirit of Bandung as enshrined in the Final Communiqué of the 1955 Asian-African Conference and to chart the future cooperation between our two continents towards a New Asian-African Strategic Partnership (NAASP).

We reiterate our conviction that the Spirit of Bandung, the core principles of which are solidarity, friendship and cooperation, continues to be a solid, relevant and effective foundation for fostering better relations among Asian and African countries and resolving global issues of common concern. The 1955 Bandung Conference remains as a beacon in guiding the future progress of Asia and Africa.

We note with satisfaction that since the 1955 Conference, Asian and African countries have attained significant political advances. We have successfully combated the scourge of colonialism and consistently fought racism. In particular, the abolishment of apartheid represents a milestone in Asian-African cooperation and we reaffirm our continued determination to eradicate racism and all forms of discrimination. As a result of our efforts over the last fifty years, we are all independent, sovereign and equal nations striving for the promotion of human rights, democracy, and the rule of law. However, having made these political gains, we are concerned that we have not yet attained commensurate progress in the social and economic spheres. We recognize the need to continuously strengthen the process of nation and state-building, as well as social integration.

We remain committed to the principle of self-determination as set forth in the Final Communiqué of the 1955 Bandung Conference and in accordance with the Charter of the United Nations. In particular, we express our abhorrence that, fifty years since the 1955 Bandung Conference, the Palestinian people remain deprived of their right to independence. We remain steadfast in our support for the Palestinian people and the creation of a viable and sovereign Palestinian state, in accordance with relevant United Nations resolutions.

We emphasize the importance of multilateral approaches to international relations and the need for countries to strictly abide by the principles of international law, in particular the Charter of the United Nations. As Asia and Africa represent the majority in the community of nations, we reaffirm the need to support and strengthen multilateralism in order to address global issues, including reforming multilateral institutions.

We recognize that the current global situation and the prevailing conditions in Asia and Africa necessitate the need to actively pursue a common view and collective action to ensure the equitable sharing of the benefits of globalization. We are determined to meet the internationally agreed targets and goals aimed at poverty eradication, development and growth, and underline the necessity for all parties to honour their commitments in this regard. We emphasize the importance of enhancing cooperation with all regions.

We underline the importance of dialogue among civilizations to promote a culture of peace, tolerance and respect for religious, cultural, language and racial diversities as well as gender equality.

We acknowledge the positive development of intra-regional/sub-regional integration in both continents. Nevertheless, continent-wide inter-regional cooperation among the two continents needs to be developed. We are convinced that cooperation between sub-regional organizations, through sharing experiences and best practices, can propel growth and sustainable development.

We underline the importance of bringing the regions closer together by utilizing the advantages derived from the commonalities and diversity of, as well as the new and encouraging developments in, both regions. We emphasize both the collective responsibilities and the important role of all stakeholders in exploring innovative and concrete ways and means to strengthen cooperation between Asia and Africa.

In this regard, we acknowledge the importance of complementing and building upon existing initiatives that link the two continents, inter alia Tokyo International Conference on African Development (TICAD), China-Africa Cooperation Forum (CACF), India-Africa Cooperation, Indonesia-Brunei Darussalam sponsored Non-Aligned Movement Centre for South-South Technical Cooperation, Vietnam-Africa Business Forum, and the

Smart Partnership Initiative and the Langkawi International Dialogue. We stress the importance of streamlining and aligning existing initiatives for coherence and maximum benefit and to avoid duplication.

We acknowledge the New Partnership for Africa's Development (NEPAD) as the African Union's programme for poverty eradication, socio-economic development and growth and accept it as the framework for engagement with Africa. We express our support for the implementation of NEPAD.

We underscore the urgency of promoting economic development in the Asian and African regions, as stipulated in the 1955 Bandung Conference. We stress that poverty and under-development, gender mainstreaming, communicable diseases, environmental degradation, natural disasters, drought and desertification, digital divide, inequitable market access, and foreign debt, remain as issues of common concern which call for our closer cooperation and collective action.

We envision an Asian-African region at peace with itself and with the world at large working together as a concert of nations in harmony, non-exclusive, bonded in dynamic partnership and conscious of our historical ties and cultural heritage. We visualize an affluent Asian-African region characterized by equitable growth, sustainable development as well as a common determination to enhance the quality of life and well-being of our people. We further envisage a caring Asian-African society where the people live in stability, prosperity, dignity and free from the fear of violence, oppression and injustice.

To this end, we hereby declare, as an expression of our new political will, the establishment of a New Asian-African Strategic Partnership (NAASP) as a framework to build a bridge between Asia and Africa covering three broad areas of partnership, namely political solidarity, economic cooperation, and socio-cultural relations. The strategic partnership provides a momentum in achieving peace, prosperity and progress, and will be based on the following principles and ideals:

1. The Ten Principles of Bandung of the 1955 Asian – African Conference;
2. Recognition of diversity between and within the regions, including different social and economic systems and levels of development;

3. Commitment to open dialogue, based on mutual respect and benefit;
4. Promotion of non-exclusive cooperation by involving all stakeholders;
5. Attainment of practical and sustainable cooperation based on comparative advantage, equal partnership, common ownership and vision, as well as a firm and shared conviction to address common challenges;
6. Promotion of sustainable partnership by complementing and building upon existing regional/sub-regional initiatives in Asia and Africa;
7. Promotion of a just, democratic, transparent, accountable and harmonious society;
8. Promotion and protection of human rights and fundamental freedoms, including the right to development;
9. Promotion of collective and unified efforts in multilateral fora.

The NAASP shall emphasize the need to promote practical cooperation between the two continents in areas such as trade, industry, investment, finance, tourism, information and communication technology, energy, health, transportation, agriculture, water resources and fisheries.

The NAASP shall also address issues of common concern such as, armed conflict, weapons of mass destruction, transnational organized crimes and terrorism, which are fundamental to ensuring peace, stability, and security.

We are determined to prevent conflict and resolve disputes by peaceful means and endeavor to explore innovative mechanisms for confidence building and dispute resolution as well as for post- conflict peace-building.

The NAASP shall promote human resource development, enhanced capacity building and technical cooperation in order to create an enabling environment for the betterment of the regions.

We resolve that the sustainability of the NAASP shall be conducted through three tiers of interaction: an intergovernmental forum; sub-regional organizations; and people-to-people interaction, particularly business, academia, and civil society.

We are determined to develop an institutionalized process of the NAASP through convening: a Summit of Heads of State/Government every four years; a Ministerial Meeting of Foreign Ministers every two years; and Sectoral Ministerial and other Technical Meetings when deemed necessary. A Business Summit in conjunction with the Summit of Heads of State/Government will be held every four years.

We pledge to our peoples our joint determination and commitment to bringing the NAASP into reality by implementing concrete actions for the benefit and prosperity of our peoples.

Done in Bandung, Indonesia, on the Twenty-fourth of April in the year Two Thousand and Five, in conjunction with the Commemoration of the Golden Jubilee of the Asian-African Conference of 1955.



067. Press conference by Prime Minister Dr. Manmohan Singh at the end of the Afro-Asian Summit to commemorate the Bandung Conference.

Jakarta, April 23, 2005.

Friends,

Today has been a busy and productive day.

This has been a journey full of historical resonance. In travelling to Indonesia for the Asian-African Summit and commemoration of the Bandung Summit we have revisited an important chapter of our history in the 20th century. In the evolution of our foreign policy, the conference at Bandung was a significant moment. India led by Jawaharlal Nehru played a very influential role at Bandung in 1955 and subsequently in the non-aligned movement. Our participation in this conference and in the visit to Bandung tomorrow thus retraces our journey as a free nation carving out an independent foreign policy.

At first sight, the immediate concerns at Bandung in 1955 and in Jakarta in Jakarta in 2005 are completely different. However, the essence

of the agenda for developing countries may not have changed very much. At that time the process of de-colonization was still gathering momentum, and the hateful practice of apartheid was current. Now we are all present here as free states, but still grappling with asymmetries, albeit of a different nature. The inescapable challenge today is globalization and our response as developing countries to this process. Speaking here today I have proposed practical steps that developing countries can take in framing policies that would enable us to benefit from the process of globalization. I have also underscored the continuing relevance of cooperation and solidarity between developing countries, South-South cooperation, both as a value and as a practical policy framework.

Tomorrow I shall travel to Bandung. That will be a sentimental journey. We shall retread the path of the towering leaders who preceded us half a century ago and re-dedicate ourselves to the values and sense of solidarity they exemplified. In confronting the unceasing challenges of the present moment, one sometimes loses sight of the origins - of a sense of where we began. This trip to Bandung will take all of us, leaders of free nations and free peoples, to a time when this was not so and will remind us of other commitments to our peoples that we are still to fulfill.

I have also had very useful meetings here with several Heads of State and Government. I began my bilateral meetings today with a call on the President of Indonesia. We spoke about the possibilities of enlarging our areas of cooperation to include energy, health and culture; I want to tell you that he referred to the popularity of Indian films here and expressed an interest in our film industry as an area, which both sides could focus on. I invited the President to visit India at his early convenience.

I met the Prime Minister of Sri Lanka. This was our first meeting following the Tsunami which devastated such vast tracts of Sri Lanka's coastal areas. We reviewed the reconstruction efforts in Sri Lanka and our participation in this process. He also briefed me about developments in the peace process in Sri Lanka.

This morning I also met President Karzai of Afghanistan. We have a close and continuing interest in this friendly neighbouring country. President Karzai updated me on recent events in Afghanistan and underlined the need for the long-term engagement of the international community in

Afghanistan's stability. I used the opportunity to pledge India's continuing interest in and commitment to Afghanistan's well being and normalization.

The King of Nepal had sought a meeting with me and I used this opportunity to convey our concern to him about the situation in his country, with which we have the closest ties. You have already been briefed about this meeting earlier. You have also been briefed about the External Affairs Minister's discussions with His Majesty yesterday. Let me reiterate that I emphasized the importance of the setting out a road-map for re-starting the political process in Nepal without delay. The King assured me of the necessary steps. We shall continue to pay close attention to further developments.

I met the President of Vietnam, a country with which we have had very close ties. We reviewed the present status of our relations. We agreed that both in the bilateral context, and in the context of Vietnam's status as a member of ASEAN, there is much more that the two countries can do to enhance our cooperation.

I called on President Hu Jintao of China. Following closely on the recent landmark visit to India of Premier Wen Jiabao, this was an occasion for both sides to express satisfaction at the positive direction our bilateral relations have taken and to reaffirm our determination to pursue our strategic partnership at regional and global levels.

This visit has also given me an opportunity to meet other leaders including the President of Nigeria and the Prime Minister of Singapore. Occasions such as these offer us an invaluable opportunity to reaffirm India's unceasing engagement with our close partners in Asia and Africa.

Question : Sir, have you contacted the King of Nepal ... (Inaudible)...

Moderator : Let me take all the questions on Nepal together. Are there any other questions on Nepal?

Question : Is... acknowledged by the King that ... (Inaudible)...

Prime Minister : I met His Majesty the King. He had asked for a meeting. Being our close neighbour, a country with which we have standing civilisational ties, very intimate relations, I did agree to meet His Majesty. He gave me an account of circumstances, compulsions, in which he had to

take the action, which he did take. I explained to him that as a close neighbour and friend of Nepal, a country with which we have a unique relationship, we have always regarded Constitutional Monarchy and multiparty democracy as the twin pillars of the Nepali polity. In the light of events in recent months, our concerns and our actions have been prompted by this recognition that these twin pillars must work together in harmony. We discussed the situation and his perspective on the evolving situation. I did suggest to him that it is important to take effective measures to restart the political process, and to work out a roadmap to this purpose. His Majesty was quite sensitive to these concerns. Therefore, on the whole I think the meeting was constructive in terms of its outcome.

Question : What about the ...(Inaudible)...

Prime Minister : His Majesty raised that issue with me and I said we will look at the things in proper perspective.

Question: *Yesterday you met President Musharraf at the dinner. You talked for four – five minutes together. Could you tell us what did you talk?*

Prime Minister: *I told President Musharraf that our discussions in Delhi has borne good results. It is being talked about all over the world. I praised him for his statement that he made here day before yesterday. I conveyed my complements to him that this is probably a rare multilateral forum where Pakistan has not indulged in India-bashing.*

Question : ...(Inaudible)... on Nepal.

Moderator : Sorry, we have moved beyond that.

* * * *

Question : ...(Inaudible)...

Prime Minister : It was a very good meeting. The Chinese President asked me to give an account of my assessment of the Indo-Chinese relationship. And I recounted the good results that have emerged as a result of my meeting with Chinese Premier, our commitment to strengthen multi-faceted cooperation between our two countries in economic, in culture, in science and technology, and the agreement with regard to political Parameters and Guiding Principles for the Resolution of the boundary dispute.

We agreed that we should instruct our Special Representatives to expedite this process. We both reaffirmed our Government's political commitment to move forward on the resolution of the boundary question. At the same time, we agreed that the boundary question should not be allowed in any way to affect the tranquility and peace at the Line of Actual Control. We also agreed that the work relating to delineation of the Line of Actual Control should move at a faster pace. Also, I gave him an account of the turn in our relations with Pakistan, the results of that, and he greatly welcomed that.

Question : Was there any discussion between India and China on the question of UN Reform?

Prime Minister : There was a discussion, but not with the President. We had an extensive discussion on the subject with the Premier in Delhi

Question : ... (Inaudible)...

Prime Minister : No, there was no discussion.

Question : When you advanced for Jakarta you said this was a sentimental journey. ... key world leaders are here. You are likely also to go to the USA in a couple of months. Would you like to just put some perspective on India's relations with the US, China, Japan and Pakistan? A quick second question. Is there any talk between India and China on a possible resolution about ... and the Aksai Chin and Arunachal Pradesh area?

Prime Minister : I said we have reached an agreement on the political parameters and the basic guiding principles, which will determine the resolution of the boundary question. But I do not think that I am in a position to state right now what will be the framework and the precise content of that. That is for our two Special Representatives to look into and we will then take a political view of what adjustments are called for.

Moderator : Her first question was about your meetings with the Chinese leadership, Pakistan and US leadership and other countries. She would like to know what general foreign policy perspectives we have.

Prime Minister : Let me say that it has been the effort of our Government in the last ten months to bring about a significant improvement in our relation with our neighbours. I am glad to report that we have made progress. We

also recognize the great importance of the USA in the world economy, the role that the United States played and so also is the case of the European Union and Japan. Therefore, it is our effort to create a most favourable international environment for India's development so that we have an international environment which increases the options that we have. The end result is to create a favourable international environment so that our attention can increasingly be concentrated on dealing with fundamental problems of poverty, ignorance and disease which still afflict millions and millions of our people. In that way, I think the relations with the United States, the relations with Beijing, the relations with Russia and Japan are of great importance. We have very good relations with Russia. President Putin's visit strengthened our strategic partnership. We have a strategic partnership with the EU, and with the US also, and with China. The Japanese Prime Minister will be in India in a few days. So, I think overall, we are using the foreign policy as an instrument for enlarging the options that are available to India in tackling the basic problems of our polity.

Question : ...(Inaudible)...

Prime Minister : Yes, I think, I am more than satisfied. We came here. As I said, it was a sentimental journey because it reminded me of the great role that Jawaharlal then played in bringing the countries of the third world on one platform, in giving shape and content to the concept of Non-Alignment, and in mobilizing all the forces of the world to mount a frontal attack against colonialism, imperialism and the forces of apartheid. That was a glorious chapter in India's foreign policy. Bandung had an important role to play in that. Therefore, there was a sentimental element. I do believe, although the world has changed, that non-alignment in the sense of maximum possible consultation, cooperation and retaining independence of action in dealing with world affairs, these are things, which retain their relevance. Their reaffirmation at this Summit, I think, is a positive achievement.

Question : Mr. Prime Minister what is the latest position on India's permanent seat in the UN Security Council? Are we lobbying for it?

Prime Minister : Of course, we are lobbying for it. We have a Group of Four – India, Brazil, Japan and Germany. I believe today I think a majority of member countries of the United Nations are supportive of India's permanent membership. But I would be the last one to say that we have

conquered the turf. I think there are still hurdles. We will work hard to cross those hurdles.

Question : ...(Inaudible)...

Prime Minister : There is agreement that the United Nations system, and particularly the Security Council and the specialized agencies, need to reflect the realities of the contemporary world. The UN Charter was framed at a time when most developing countries were colonies. The power structure since then has changed, and in our view it is necessary that the UN and its various specialized bodies ought to reflect the shift in the balance that has taken place in the last fifty or sixty years. I think there is a general recognition of that that something needs to be done. But what will ultimately materialize? I think we are dealing with a world of power relation. Those who have, do not want to give up whatever power they have. Therefore, I am not saying that the battle is won. I think we have a struggle ahead of us and we go into the battle recognizing the difficulty but also we say ultimately the good is bound to triumph.

External Affairs Minister : *It is very difficult to bring an amendment in the UN Charter. Hope this will happen some day. This is not my personal job; the entire Foreign Office is involved.*

{The text in italics is unofficial translation from Hindi text}



INDIA'S FOREIGN RELATIONS - 2005

Section - IV Gleneagles (G-8+5) Summit

068. Special media briefing by Foreign Secretary on the eve of Prime Minister's visit to attend the G-8 Plus 5 Summit.

New Delhi, July 5, 2005.

Official Spokesperson (Shri Navtej Sarna): Good evening ladies and gentlemen. It gives me great pleasure to welcome you to this briefing by the Foreign Secretary primarily on Prime Minister's visit tomorrow to Gleneagles but also, since we have the Foreign Secretary here for a little while, maybe some other issues could also be addressed.

Foreign Secretary (Shri Shyam Saran) : Thank you and good afternoon to all of you. I thought it might be useful for me to just give you a sense of what would be happening at Gleneagles on the 7th when Prime Minister would be going along with some other leaders from developing countries as special invitees to the G-8 Summit.

The theme of this summit is global economy, climate change and sustainable development. These would be the main issues that would be taken up during the Summit. There are five developing countries, which have been invited to participate in the Summit. These include, apart from India, Brazil, and Mexico from Latin America, China and South Africa. The British are the coordinators, as you know, for this summit. In pursuit of the themes that I have mentioned to you, they have also been working together both with these five developing countries as well as their G-8 partners on some kind of an action plan on issues relating to climate change as well as energy issues.

We have also been working together with our developing country colleagues, as also with the British, to put forward what would be a developing country viewpoint at this summit. So, when Prime Minister arrives in Gleneagles there will be a meeting of the five leaders from the developing countries. The idea is that we should be in a position to put forward in a coordinated manner the views that we have concerning the development of the global economy, climate change, sustainable development.

On global economy, essentially the message that we would like to give is that there should be a recognition of the importance of global growth to the interest of the developing countries that just at the time when there is a process of globalisation taking place, there is a process of liberalization

taking place, developed countries should avoid any new kind of protectionist measures in the shape of non-tariff barriers, in the shape of concerns being expressed for example about outsourcing, and that the markets of developed countries remain open to developing countries.

There is a need to make certain that the forthcoming meeting, the WTO meeting in Hong Kong in December, is a success. There are certain critical issues relating for example to agricultural subsidies, which need to be sorted out. We would like there to be a development-oriented outcome to this meeting.

With regard to the issues of energy and environment, the fundamental approach that we have is that developing countries need increasingly larger supplies of energy for their development, that development is the priority. We are certainly concerned about sustained development. We are concerned about the environment but it should be understood that the main responsibility with regard to, for example dealing with the greenhouse gases is that of the developed countries. It is they who are responsible for the overwhelmingly large proportions of such emissions. Even in the next decade or more this situation will not really change very much. If the developing countries have to adopt new, clean technologies, then it is essential that technology transfer should be made easier to the developing countries.

Now just as in the case of, for example dealing with the global challenge such as HIV/AIDS a certain approach has been taken that certain technologies should be put in the public domain so that the IPR issue is taken care of. Similarly, we believe that if there are certain technologies which are significant in terms of cleaner use of energy, then it is perhaps worthwhile that some of these technologies should be put in the public domain, the IPR issue should be relaxed, so that developing countries have easy access to such technologies because without this it is difficult to see how such technologies can really be diffused among the developing countries.

So, one is the issue of technology, the other issue is that of affordability that is even though there are technologies which are available, unless these are made available to developing countries at affordable rates it is again difficult to see how these can be diffused. The point we have made is that the kind of financial flows, which are required for the adoption

of these technologies must be additional to existing financial flows, that is, existing ODA flows. So, it should not become a charge on the already limited, existing flows of financial funds to developing countries but it should be an additionality. So, this is another very important aspect of the approach that has been taken by the developing countries.

The third point that we have made is that there needs to be collaboration in research and development effort in order to come up with new, clean technologies. Here the five developing countries who are going to be represented at Gleneagles, even though they are developing countries, they are countries which also have rather significant research capabilities. They have very sound network of research institutions. So, there is also a suggestion that, therefore, to be some kind of a partnership amongst the developing countries and the developed countries so that new technologies can be developed which can be then adopted both by developing countries and developed countries. So, this is essentially the approach that is going to emerge from the deliberations of the developing country leaders in Gleneagles.

Of course, there will be some kind of an action plan which may emerge from the G-8 themselves. Whether that actually happens remains to be seen because you might have seen that there is still some controversy about the issue of climate change amongst the G-8 countries themselves. So, we will have to wait and see what kind of an action plan emerges from the G-8. But our attitude or our response to any such action plan will again be based on what I have mentioned that the primary responsibility in this regard is that of the developed countries. As you know, in the existing international instruments - is, the Kyoto Protocol or the UN Framework Convention on Climate Change – the principle that is adopted is that of a common and differentiated responsibility. That is, there is a common challenge to all of us but there is a differentiated responsibility in terms of dealing with this challenge. That principle is fundamental and that principle must be ensured in any kind of participation which is sought from developing countries. Also in terms of any action plan, the other principles that I mentioned to you, that is, unless there is a willingness to tackle the IPR issue, the technology transfer issue; unless there is a willingness to tackle the financial issue, affordability issue; and whether or not there is also a willingness to engage with the developing countries in any kind of useful

R&D effort for the future, I think much of our response to whatever emerges from the Gleneagles G-8 Summit will be determined on the basis of these criteria.

I think in addition to the opportunity which the Summit would give us to engage with our G-8 partners, there will also be some opportunity for some bilateral meetings. These are being arranged. Of course, since the time is short, it may not be possible to arrange meetings with all the different leaders. But certainly, a bilateral meeting with the host, Prime Minister Tony Blair, has been already tied up. We are also looking at possible meetings with some of the other G-8 leaders. Of course, I also mentioned to you that there will be an opportunity for the leaders of the five developing countries to be meeting together in advance of their meeting with the G-8 leaders.

I will stop here. On the Gleneagles Summit if you have any questions or clarifications you want, I will try my best to answer.

Question : In which way the two subjects of climate change and Africa concern India specifically?

Foreign Secretary : Africa is a different segment. The meeting with some of the African Heads of States will be taking place on the 8th as I understand. That would be focused essentially on the recommendations which are contained in a Commission which was set up on Africa by the British and there are several recommendations which have come up some of which you have seen already reported, for example, writing off the debt of the most highly indebted African countries. But there are also recommendations with regard to economic development of Africa. So, we are not directly concerned with that segment. We are concerned with the segment, as I said, relating to the global economy, climate change and sustainable development.

Here, the Indian approach is, of course, it is energy security which is important to a developing country like India. We have often made the point that if you have countries like India and China developing at a rate of seven to eight per cent per annum for a number of years in the future, obviously energy will be a constraint. Therefore, we would be looking at those sources of energy. In India, for example, we have taken the view that this will inevitably lead India to look increasingly at nuclear energy as an important energy source. We already have a very major for the development

of our hydropower resources. We are engaged also in research and development effort for renewable sources of energy. Not only domestically but also internationally, we are involved in a number of research efforts for example for the development of a hydrogen fuel economy. We have shown interest in participating in the ITER, which is the International Thermo-Nuclear Energy Project which is an initiative of the European Union but there are a number of partner countries. We certainly have an intention to also participate in that project. So, there are a number of things we are interested in. Naturally, I think in the discussions which will be held in Gleneagles, all the issues of energy and sustainable development, I think there will be an opportunity for us to put forward your viewpoints.

Question : On the issue of Asian brown haze, do you think that India and China are going to be held responsible?

Foreign Secretary : We have no such indication.

Question : You talked about nuclear energy. Has India put forward any specific proposal on nuclear energy production?

Foreign Secretary : We have stated on a number of occasions that precisely because of the very large demands for energy which are inevitable which are going to be engaged in a sustained growth rate of about seven to eight per cent per annum for the next ten years to 20 years and with the kind of global oil prices that you are seeing today, we may even be entering into an era of higher oil prices, so for us nuclear energy is certainly an important alternative. And it also happens to be a area in which we have developed over the years considerable amount of expertise. We have a very good infrastructure. We have a mastery over the entire nuclear fuel cycle. We have a highly qualified technical and scientific manpower in the atomic energy sector. Therefore, it stands to reason that we should be looking at developing this particular sector in a much more ambitious manner. The point that we would make is that in any case we would develop this particular sector, it would be very helpful if we had a more supportive international environment. It would be helpful if we had an international environment which fostered cooperation in the further development of our nuclear power industry. This is the viewpoint which, I am sure, will be expressed whenever appropriate.

Question : You have emphasized that IPR should be relaxed in the field of nuclear energy. What sort of relaxations?

Foreign Secretary : I gave you the example of the HIV/AIDS challenge. There, as you know, we have had a kind of an exemption for developing countries from the application of the IPR issue, patent issue, with regard to a range of drugs which are used for treatment of HIV/AIDS. So, if we can do this for what is recognized as a major global challenge in the sector of public health, if we regard climate change, if we regard environment as also similarly an urgent global challenge, then perhaps we need to look at the ways in which we can meet this challenge by a relaxation issue with regard to clean development technologies.

Question : What type of an arrangement is this? You are going to G-8. Is it a client-master relationship, or is it a permanent relationship that will be going on in every G-8 Summit?

Foreign Secretary : I do not think that there is a patron-client relationship nor are we looking at this as something which is permanent. The last time India was invited was to Evian in 2003. So, it is not that every year there is this opportunity. We certainly do not look upon our meeting as that of, as you mentioned, two different kinds of countries. In fact, there is very much a sense that these five developing countries are very major actors, they are major players and for dealing with any kind of global challenge, unless these countries are on board, unless these countries are also participants in that collective deliberation, in that collective decision-making, it would be very difficult to succeed in facing this global challenge. To that extent that issues relating to the global economy, very high energy prices, the issues relating to, as I mentioned, the climate change, how do we bring about sustainable development, these are all issues which require the active participation of major developing countries. I think it is in this spirit that these countries have been invited.

Question: On ITER project, are there any indications that ... decision has been taken by France and by the end of the year I think things would start moving. Is there any indication that there is some opening for India because we have our own programme?

Foreign Secretary : I was in Brussels recently. In fact one of the items which was considered during the first meeting of the India-EU Energy Panel

was precisely civil nuclear energy cooperation and specifically India's participation in ITER. The European Union which is the main initiator of this project has welcomed India's full participation in this project. Currently, of course, since there are six other major partners - I think these partners are the US, the UK, France, China, South Korea and Japan – we have to also consult these other partner countries in terms of our desire to join as a full partner. So, this exercise is currently underway, as you have mentioned, the citing issue has been sorted out and also the selection of the main contractor for the project likely to be sorted out very soon.

Question : In favour of Japan?

Foreign Secretary : No, no, this is for the contractor for carrying out the main project. So, we are currently engaged in precisely that exercise of trying to ensure our membership of the project.

Question : India and China both will be big consumers of energy in the future. That way, they would also be becoming polluters in the world. The American condition had been that if India and China are willing to participate and agree to certain reduction norms in the second phase of Kyoto Protocol, then the United States can also think of joining Kyoto Protocol. Can there be a sort of a via media in this meeting when India and China put forward this proposal that in the second phase of Kyoto Protocol they would agree to reductions and the United States saying that in this condition we are willing to join the Kyoto Protocol. Is there any likelihood of that?

Foreign Secretary : Again I would draw your attention to what I said in my opening remarks that the fundamental principles for India, not only for India but for other developing countries including China, is the principle of common and differentiated responsibility. Under that principle, it had been recognized not only by India but by the international community as a whole that the main responsibility with regard to the greenhouse gases is really with the developed countries. That is because, not only today but if you make even a projection for the next decade or so or even more, the main responsibility for these emissions is really going to be from the developed nations. If you look at our emissions in per capita terms, then perhaps we will never reach the point that is currently the level of the developed countries.

' So, does this mean, therefore, that we are deliberately going to go in for development strategies which mean more environmental pollution?

Certainly not. In fact our approach has been that irrespective of whether or not there is a commitment from us in this regard, because of our own interest we will adopt, as far as possible, clean development strategy. This is the reason why India has been spending such a large amount of resources on a very major R&D effort for renewable sources of energy. This is why we have a very major programme, as I mentioned, in terms of development of our nuclear energy. This is the reason why we have a very ambitious programme of our hydro power. We are very consciously trying to change the energy mix in favour of cleaner sources of energy. So, we are very conscious of our responsibility but I think it is not appropriate for those who are responsible for the major part of the environmental challenge that we are facing to not really take on the responsibility that they are supposed to be in terms of reducing their contribution to environmental pollution and expect that there should be commitments taken by developing countries. That is what we object to. So, I do not think that there should be any sense that India and China are deliberately adopting pollution producing strategies. I cannot speak for China, but I can certainly speak for India that that is not our development strategy.

Question : You must have seen the stories coming out in the media on the African Union Summit. Essentially the stories that I have seen suggest that they have called for at least two permanent seats for Africa and five non-permanent seats. How do you look at this development vis-à-vis the G-4 efforts? Can you generally give us an update on what is happening with the G-4 and the possibility of when you are likely to move this resolution?

Foreign Secretary : The situation is sort of changing and evolving very rapidly. So, we have to keep it under constant review and see what is the best way of moving forward. As we have had occasion to point out that there is a critical role in this whole exercise to be played by the African countries because the African countries have 53 or 54 members of the United Nations. What is encouraging is the initial reports that we have that the African Union endorses the principle of there being an expansion both in the permanent and in the non-permanent category, and that the numbers that we have in mind for at least the permanent membership that is six, and the way in which they are to be distributed amongst different regions including Africa, that has been endorsed.

There may be some difference of with regard to the numbers in the

non-permanent category. Of course, the African Union also seems to be suggesting a much clearer commitment in terms of the veto power for permanent members. Now, we will have to wait and see what precisely is the decision taken by the Summit itself. But I think on the basis of what has emerged so far, there is a basis for us to talk to them and see how we can take the framework resolution forward. So, when should the framework resolution be tabled, when should it be voted upon, I think we will have to await the decision of the Summit itself. We will obviously have to engage in further consultations with the African Union, and not just with the African Union representatives but also with other members of the United Nations, those who have co-sponsored the framework resolution, those who have promised support for the framework resolution, if there are any modifications which may be required, if there are any changes which are required, naturally we will have to discuss these with them. So, this is, I would suggest, a work in progress. Let us see how it evolves. But we remain optimistic.



069. Statement of Prime Minister Dr. Manmohan Singh before his departure for Gleneagles for G-8 Summit.

New Delhi, July 6, 2005.

I am visiting the United Kingdom to participate in the Outreach Session of the G-8 Summit at Gleneagles on July 7. The United Kingdom, which is the host of this Summit, has also extended invitations to Brazil, China, Mexico and South Africa to participate in the Outreach Session.

The discussions are expected to focus mainly on Climate Change and Sustainable Development, issues of contemporary and pressing importance. We welcome the initiative of Prime Minister Blair to engage in purposeful discussions between the industrialized countries, represented in the G-8, and major emerging economies. It is our expectation that the Gleneagles Summit will provide an opportunity to consider additional practical measures focusing on clean and affordable technologies to address Climate Change issues, based on a true partnership between developed and developing countries for ensuring the larger common good.

Key countries in the ongoing Doha Multilateral Trade Negotiations

will also be present in Gleneagles. This will provide an opportunity to discuss the global economic situation and to review progress in the Doha Work Programme, including preparations for the forthcoming Ministerial meeting in Hong Kong later this year.

I look forward to meeting world leaders present at Gleneagles. Bilateral meetings on the Summit sidelines - with Prime Minister Tony Blair of the United Kingdom, President Putin of Russia and President Chirac of France, are also planned.

While in the United Kingdom, I will visit Oxford to receive an Honorary Doctorate that the University has been good enough to confer on me. In London, I hope to meet Friends of India Groups from the three main Political Parties in the British Parliament. I will attend Ceremonies to mark the 75th anniversary of the opening of India House.



070. Press briefing by Foreign Secretary Shyam Saran at the G-8 Summit.

Gleneagles, July 7, 2005.

Foreign Secretary (Shri Shyam Saran) : As you know, we started the day on a somewhat tragic note because of news about the terrorist bomb attacks in London, as a result of which there have been several fatalities. As would be expected, the first order of business when the G5 and G8 met together in the afternoon was really to listen to Prime Minister Blair give us some information about these attacks. It was decided unanimously amongst all the Heads of State and Government present that as a mark of solidarity and the expression of our total opposition and condemnation to such acts of terrorism, we would issue a joint statement.

The joint statement was read out by Prime Minister Blair in the company of all the Heads of State and Government. I would imagine that you might have had occasion to see this on the television. For those of you who may not have followed this closely, the statement of the G8 and the five outreach countries condemned utterly these barbaric attacks. It also says that all the Heads of State and Government present have asked Prime

Minister Blair to convey their very deep condolences to the families of those who have been victims of these attacks, and also to make the point that we are united in our resolve to confront and defeat this terrorism, which is an attack not on just one nation but on all nations and on civilized people everywhere.

I will not read out the entire statement. I think this would be available to you. But, this was a very clear and very unanimous declaration of the 13 Heads of State and Government, unanimously condemning these attacks and resolve, despite the fact that these attacks were obviously designed to disrupt the Summit, that we should go ahead with the meeting.

The meeting, as you know, focused attention on the issues of global economy, on issues of climate change and sustainable development. Before the meeting was held, the Heads of State and Government of the five outreach countries - India, Brazil, China, South Africa and Mexico – met together and issued a joint declaration which has been made available to you. So, you are aware of the stand which the developing countries have taken on some of these issues. That is apparent in the Joint Declaration itself.

During the meeting, our Prime Minister spoke about how he sees some of these global challenges. He particularly drew attention to the fact that if we look at the world today, we really marvel at the opportunities which are offered by the development in science and technology to once and for all eliminate chronic poverty, ignorance and disease. So, we have the means available, he said, for the first time that the issues of poverty or ignorance or disease need not become the persistent scourge of our society. It was, therefore, a matter of some regret that in fact with all the resources at our command we have not really been able to make a more significant impact in terms of these very longstanding challenges before human kind.

He pointed to the fact that good things were happening. For example, globalisation was something which had brought the world closer together. We have become a neighbourhood, a very small neighbourhood. Globalisation is making available a lot of opportunities to developing countries. But, at the same time, we also need to realize that globalisation can also lead to marginalisation of the weak and vulnerable in our society and, of course, to take care of the weak and vulnerable is a matter mainly of

national policies. But, here is also an area where international cooperation can play a very major role. This role can be played in terms of greater financial assistance to developing countries. It can take the form of a better regime of trade, more fair and equitable trading regime, more open trading regime, as also better capital flows and investment into developing countries. This is one aspect.

The other aspect is the need for a different regime for the transfer of technologies. Technologies are available for development. But, unless we find a proper mechanism to bring about diffusion of technology, the fruits of technology, achievements in science and technology, would not really be available to developing countries. He pointed out to the fact that many of these issues of the proper mechanism for flow of funds or flow of technologies actually have been on the international agenda for a very long time but they have not really been properly implemented. What we really need to do is to see how we can actually deliver on the commitments which have been made at several international conferences or under several international institutions.

Turning to the issue of climate change and sustainable development, Prime Minister began by stating that the legitimate forum and the proper instrumentality for dealing with these issues are really the multilateral fora and multilateral agreements. In this connection he referred to the international consensus which is represented by the UN Framework Convention on Climate Change. He referred to the Kyoto Protocol and said that whatever we do, we must continue to accept the principle of what is called 'common but differentiated responsibility'.

Of course, the fact is that the whole world shares the same environment. If there are problems of climate change, it is not something which is limited within national boundaries. This is something which has a global impact. Therefore, all of us have an obligation to do all we can to safeguard the environment, to protect the environment. But, in this regard, the major responsibility is of the developed countries who have actually accumulated carbon emissions over a long period of time. Given current trends, this is unlikely to change very dramatically in the near future unless certain very drastic steps are taken.

He pointed out that carbon emissions per capita in India is a very small fraction of what you see, for example, in the United States, or even

the world average. Despite this fact, actually India has done a great deal in terms of charting out a path for environmentally sustainable development. He pointed out to the fact that India is one of the few countries which actually has a separate Ministry dealing with renewable energy. We have undertaken a considerable amount of research in new and environment-friendly technologies. We are certainly committed to ensure our growth, because growth is necessary to deal with poverty, but in as environmentally sustainable manner as possible.

In this connection he drew attention to two major sources of clean energy. He said, for example, we have a major programme for hydroelectric power development which we believe is a very major source of clean energy. It is important for the international community and international financial institutions to perhaps re-look at their lending policies with regard to large hydropower projects. He also drew attention to the use of nuclear energy as a clean source of energy. In this context he referred to the statements made by President Bush himself that the way forward, if we are looking at clean sources of energy, is we have to look at nuclear energy again.

He summed this part of his presentation by saying that certainly climate change is something which affects us all. Environment is a responsibility of all the countries but there is a certain limit to our capabilities as developing countries. What we have to achieve is a right balance between protecting the environment but at the same time not perpetuating poverty. There is a certain balance which is required.

In a reference to the action plan for clean technologies which has been put forward by the G8 countries - I think this morning they have circulated their action plan - what the Prime Minister said was that it is very important that the G8 countries do not impose standards which are divorced from reality. It is important that whatever is agreed upon is something which takes into account the capabilities as well as the preoccupations of developing countries. This is very important. So, there is a reference made by the G8 to the possibility of carrying forth this dialogue in the post-Gleneagles period. We have stated that we are prepared for such a dialogue. But such a dialogue must be on an agreed basis. It must also take on board the agenda of the developing countries and we should not try to work out a framework which does not take into account the current ground realities.

Prime Minister, in this connection, also mentioned that the five

countries which are represented as the Outreach Countries, although they are developing countries, are countries which have considerable research and development capabilities themselves. They have fairly well developed science and technology sectors in our countries. Therefore, it is possible to think in terms of collaborative research into clean technology. This partnership between the developed countries and the developing countries is something that could be very worthwhile. That is a suggestion he made.

He referred to a similar experience in the late 60s where a number of agricultural research institutes, in both developed and developing countries, set up a kind of network which has been responsible for creating several new technologies for the development of agriculture in developing countries. He stated that something of this kind with regard to creating environmentally-friendly technologies is something that we could consider. Because, if we really attach a great deal of urgency to the adoption and the diffusion of the climate friendly technologies, then it is extremely important for us to deal with the main issues. These main issues are: (1) how do we deal with the issue of intellectual property rights; (2) how do we deal with the issue of finding additional financing for the adoption of these technologies. In this case, perhaps we need to look at if there are really very effective technologies, clean technologies, then perhaps they should be made into public goods so that they are taken out of the IPR regime, at least for developing countries.

There also needs to be a creation of an additional financial window, particularly amongst the international financial institutions to make it possible for developing countries to induct affordable technologies because even if the technologies are available, if you cannot afford it, it does not really make an impact. This was essentially the presentation made by our Prime Minister.

I must tell you that President Bush, for example, referred to the Prime Minister's statement. He said that he agreed wholeheartedly with this approach that in dealing with the issues of environment it is very important that we not neglect the imperatives of development, that for people in poor countries the first order of business was that there was adequate food, livelihood, as well as housing. Environment was not something which was very high on their agenda. So, it is important that we look at the development imperatives and, of course, there are technologies available.

It is possible to find technological solutions to the challenges that we are facing. In that context he welcomed the suggestions made by our Prime Minister.

This was also welcomed by some of the other leaders who spoke afterwards. For example, the French President also referred to Prime Minister's statement and said that this was a good approach for us to take. Similarly, some of the other leaders from South Africa, from Mexico, from Canada, also appreciated this approach.

In the afternoon there was also a discussion on the global economic situation. Here the focus was on ensuring that the forthcoming Hong Kong round, WTO round, is a success. A very strong plea was made by the Director-General of the WTO that a very unambiguous message should go out from this Summit, especially because the most powerful affluent countries were present, the five of the most important developing countries were present, and they really are key to the success of the Hong Kong round. It was agreed that a strong message should emerge from the Summit for the success of the WTO round.

I think I will stop here. The deliberations, both in the structured session, then were carried on over lunch. There was about half an hour where the leaders were able to very informally chat with each other in the garden. During this period the Prime Minister had a chance to talk to virtually all the leaders who were present, including the Chinese President, the American President, the Mexican President, the Secretary-General of the United Nations. He was able to meet and talk to virtually all of them.

Question : What did Mr. Jintao say, if anything, about Prime Minister Singh's statement on climate change?

Foreign Secretary : The exchange of views on climate change and sustainable development amongst the five outreach countries' leaders took place in the morning. I think there was virtual agreement amongst all the five leaders with regard to the issues of climate change, that the appropriate forum for discussing, negotiating any kind of commitment relating to, for example, greenhouse gas emissions were really the United Nations Framework Convention on Climate Change as well as the Kyoto Protocol. Notwithstanding that, there was certainly a willingness to engage in a dialogue on such issues provided these discussions take place on an agenda

which is determined by both sides. That is, there are a number of issues that we have which we have referred to in the Joint Statement that we have produced. So, any post-Gleneagles dialogue must take into account our concerns. With respect to some specific recommendations, one is the IPR issue; we need to deal with the IPR issue if there is going to be really a global response to the challenges which we face on environment. The second is the financial issue. There particularly, a reference has been made to the need for an additional financial window. The third point is what I mentioned; we have certain research capabilities ourselves as developing countries. So, there is actually south-south cooperation possible in terms of network of research institutions contributing to the issues dealing with climate change and willingness to participate in this along with the developed countries. So, that is basically the approach.

Question : What did G8 want specifically from India and China on climate change? Specifically, on this Asian Brown Haze, how to deal with this Asian Brown Haze problem?

Foreign Secretary : There was no reference to Asian Brown Haze by anybody. Secondly, there was no reference made by any leader present that there was somehow some special status to India and China and that there needs to be some separate commitment by these countries. There was a general discussion. As I mentioned to you, in the discussion there was a common recognition that issues of climate change and sustainable development are important. The points that were made, for example, by our Prime Minister were that there needs to be a balance between the imperatives of development and the need to safeguard the environment. This was a principle which I think virtually every Head of State and Government who was present accepted, the need for such a balance. It was also agreed that we must find a way forward and if in the post-Gleneagles period there is a willingness to engage in a dialogue, certainly that dialogue can take place but it must take place on an agenda which also reflects the concerns of the developing countries.

Question : In his remarks on poverty, did the PM speak specifically about poverty in India?

Foreign Secretary : I do not think that he specifically spoke about poverty in India, but he said that in terms of our development strategy, eradication of poverty was an overriding concern. But this is something not just specific

to India. This is something which is an issue which confronts all the developing countries. So, not only was he speaking on behalf of India but he was also speaking on behalf of the developing countries as a whole.

Question : The G4 countries on UN reforms were also there. Did the leaders meet and discuss the UN reform?

Foreign Secretary : They are probably meeting just now. The Heads of State and Government of Germany, Brazil, Mexico and India are in fact meeting currently to review the state of affairs as far as the UN reform is concerned. But it will be a short meeting.

Question : President Bush seems to be completely out of sync ...(inaudible)... climate change. On his willingness to acknowledge that as a manmade problem ...(inaudible)...was there any intimation of change in his approach?

Foreign Secretary : I mentioned to you what President Bush said in response to the Prime Minister's statement. What he said in his remarks was that it should be acknowledged that it was very important to keep in mind the imperatives of development while we are addressing environmental concerns. That is the first point he made that eradication of poverty is something which is an extremely important goal. So, the imperatives of development have to be kept in the forefront. The second point that he made was that there are technological solutions to the challenge which we face of climate change. It was, therefore, important to try and see how we can diffuse these technological solutions in as wide a manner as possible. The issues that were raised by our Prime Minister were that these technologies have to be affordable, that they need to be made available to developing countries. These are issues which have to be addressed and can be addressed.



071. Joint Declaration of the Heads of State/Government of Brazil, China, India, Mexico and South Africa attending the Gleneagles Summit.

Gleneagles, July 7, 2005

Introduction

1. We, the Heads of State and/or Government of Brazil, China, India, Mexico and South Africa thank Prime Minister Tony Blair for the invitation to participate at the G8 Gleneagles Summit.

2. At the historical juncture of the UN 60th anniversary and other important upcoming events this year, including the process of UN reforms aimed at providing a greater voice to developing countries in UN decision-making, the Gleneagles Summit is an opportunity to give stronger impetus to these processes and to send a positive message on international cooperation. This should be achieved through the promotion of multilateralism, the enhancement of North-South cooperation, as well as through a renewed commitment to sustainable development and the harnessing of the benefits of globalization for all.

3. We reaffirm the role of South-South cooperation in the context of multilateralism, and the need to strengthen it. We are fully committed to close coordination and cooperation to meet the challenges arising from globalization, and to promote the common interest of developing countries by striving to more effectively bring together our priorities and international engagement strategies. We recall the outcome of the Second South Summit held in Doha in June 2005, which recognised the importance of initiatives such as the "Action against Hunger and Poverty", and the proposal for the Southern Development Fund.

Global Economic Issues

4. More stability and certainty in the world economy are paramount, together with an international context that provides developing countries with better and more equitable opportunities. Developing countries usually bear the brunt of crises and macroeconomic imbalances in the major economies that are in a position to spur conditions for global economic growth and development.

5. The persistence of hunger and poverty, even when the means to eliminate them are available, is a major obstacle to sustainable development.
6. The mobilization of international support for raising additional financial resources for development and the fight against hunger and poverty, through the effective implementation of the agreements and commitments reached by the international community in the "Consensus of Monterrey" agreed at the Conference on Financing for Development of the United Nations, is a necessary condition to reach the targets and objectives established in the "Millennium Declaration". Thus, we should preserve the coherence, the association, the will, and the sense of shared responsibility that are the common elements and principles that have to be adopted by every member of the international community if we are to see successful results.
7. The Millennium Development Goals cannot be timely and fully implemented with the current levels of ODA, which remain focused on short-term projects and vary according to the budgetary and policy priorities of donor countries. Therefore, donor countries should fulfil their commitments and reach the target of at least 0.7% of their GDP's allocated to ODA. This would greatly assist the funding of national and regional initiatives to combat poverty and hunger.
8. We welcome the decision adopted by the G-8 Finance Ministers to promote further debt relief for a number of the Least Developed Countries.
9. The removal of trade barriers to products and services of interest to developing countries is essential for development, the fight against poverty and the protection of the environment. The Doha Development Agenda explicitly places the development dimension at the heart of current trade negotiations. However, more progress is needed to implement this collective commitment. There is a need to redress the development deficit which became more acute as a result of the Uruguay Round agreements.
10. The international community needs to send a clear and positive signal to the Doha round of trade negotiations that the success of the 6th Ministerial Meeting of the WTO, to be held in Hong Kong, China, in December 2005, is essential. In this connection, a fundamental requirement is to achieve substantive progress, by the end of July 2005, regarding agricultural negotiations, access to non-agricultural markets, services, trade facilitation

and rules. Trade-distorting domestic support for agriculture in developed countries must be substantially reduced and all forms of export subsidies must be eliminated by a date to be agreed.

11. All members of the international community should work together for the reform of the current international economic system to make it stronger and supportive of development, including through reforming the Bretton Woods Institutions and assuring greater say to developing countries.

Climate change

12. Climate change has, and for the foreseeable future will continue to have, a profound impact on the development prospects of our societies. The United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol establish a regime that adequately addresses the economic, social and environmental aspects of sustainable development.

13. The international regime represented by the UNFCCC and its Kyoto Protocol rests on the differentiation of obligations among Parties, according to the principle of common but differentiated responsibilities of States. Developed countries should therefore take the lead in international action to combat climate change by fully implementing their obligations of reducing emissions and of providing additional financing and the transfer of cleaner, low-emission and cost-effective technologies to developing countries.

14. In line with the principle of common but differentiated responsibilities, the UNFCCC and the Kyoto Protocol do not provide for any quantitative targets for emission reductions for developing countries but still require these countries to implement appropriate policies and measures to address climate change, taking into account their specific circumstances and with the support of developed countries.

15. The Clean Development Mechanism (CDM) incorporated in the Kyoto Protocol provides an important and innovative framework for the participation of developing countries in international efforts to address climate change. In addition, our countries have already carried out mitigation and adaptation efforts that precede and complement those related to the CDM.

16. The Gleneagles Summit should recognise that the Convention establishes economic and social development and poverty eradication as the first and overriding priorities of developing countries. As such, there is

an urgent need for the development and financing of policies, measures and mechanisms to adapt to the inevitable adverse effects of climate change that are being borne mainly by the poor.

17. Changes in the unsustainable production and consumption patterns in the industrialized countries must be implemented. Energy efficiency and renewable energy sources, such as solar, wind and hydro-electrical power, and bio-fuels such as ethanol and biodiesel, offer opportunities that deserve careful consideration.

18. We urge the G-8 leaders and the international community to devise innovative mechanisms for the transfer of technology and to provide new and additional financial resources to developing countries under the UNFCCC and its Kyoto Protocol. For this purpose, we propose a new paradigm for international cooperation, focused on the achievement of concrete and properly assessed results, taking fully into account the perspective and needs of developing countries. Such a paradigm must ensure that technologies with a positive impact on climate change are both accessible and affordable to developing countries and will require a concerted effort to address questions related to intellectual property rights. Additional financial resources, apart from those already available through ODA, should be directed to developing countries to enable them to access critical technologies. Collaborative research for new technologies, involving both developed and developing countries, also needs to be encouraged.



072. Press interaction of Prime Minister Dr. Manmohan Singh with journalists accompanying him on board the flight on way back to New Delhi from Gleneagles.

On Board Air India One, July 9, 2005.

Question: What did you expect on the withdrawal of export subsidies by the developed countries?

Dr.Singh: Well, I think we want them to get rid of the subsidies in agriculture. But our concerns in India are somewhat different from many other agricultural exporting countries. We would like, while liberalising the agriculture trade for the benefit of other developing countries, to safeguard food security. And we are a country of small and marginal farmers. Nothing should be done which hurts our ability to protect and safeguard the interests of small and marginal farmers.

EU wants a commitment from developing countries to reduce industrial tariffs as a tradeoff for a commitment to eliminate farm export subsidies.

It's too early to say. There are differences between the United States and the European Union. As far as the developing countries are concerned, we are hopeful of building a sustained consensus as to what line we should take.

Fight against terrorism

Did the fight against terrorism figure in this G8 meeting?

Well, the first two hours were on that. And Prime Minister Blair said that he was going to issue a statement that the 13 of us should join. I think that was a very powerful way in which people stood together.

Iran gas pipeline

When you visit the United States next week, the issue of the Iran gas pipeline is bound to come up.

This is an affair between Iran and us and Pakistan. If the three countries agree, that should be the end of the matter.

Have they been saying, 'You drop this one and we will give you this?'

We are not a client state!

Agenda of U.S. visit

With this atmosphere you had at G8 and with President Bush responding positively to what you said [on climate change and nuclear energy], do you have any expectations from America for your visit next week?

Well, let me say I'm not going with any demands. I want to explain to the U.S. Government, to the U.S. Congress what our aspirations are. The bulk of resources for India's development has always been mobilised locally. We will always be content. We don't want to be internationally a supplicant!

You will be discussing nuclear matters, energy cooperation, and so on. But if the international system is more accommodative...

I think that is all that we expect.

Do you think the nuclear suppliers group will change the conditions?

I have been in this game long enough to recognise that there are strong vested interests. Nobody gives up power voluntarily. But the three times I have talked to President Bush, he said, 'yes, India needs to be helped in the field of nuclear energy.' I quoted him at the [G8] meeting in my introduction and he said, 'yes, I agree.'

ITER and Galileo

What does India seek to do on ITER [the experimental multinational fusion power project] and the Galileo [global navigation satellite system] project?

We are going to apply for [ITER] membership. I raised it with the French President and he said they would be very supportive. The British are very supportive. The last time when I was with the EU Summit, we discussed the Galileo navigation projects. The then chairman, the Dutch Prime Minister, said they welcomed India's participation.

Why should we invest in both Galileo and Glasnost, the Russian project?

One needs options. Technology is not static.

Meeting with Left

Tomorrow, you are meeting the Left leaders. There have been all these issues from disinvestment to India's relations with the U.S. What do you think will happen?

We'll resolve all the issues. As far as the relations between us and the United States are concerned, the defence agreement is an innocuous framework agreement updating the 1994 framework agreement.

How do you see the criticism of the Left on this issue?

Well, I think we will have to explain it to them. They can look at the document itself. It doesn't say anything that is against our national interest. It lists areas where the two countries can cooperate if they want to work together. So that does not mean any surrender of our sovereignty.



073. Statement by Prime Minister Dr. Manmohan Singh on return to India from the United Kingdom.

New Delhi, July 9, 2005.

I have just come back from United Kingdom after participating in the outreach session with the Group of Eight industrialised countries.

As you know, this visit was overshadowed by the tragic incident that caused so much misery and sufferings to the people of London and this is a vivid demonstration that terrorism is a global phenomenon. We have of course suffered from this scourge for nearly twenty-twenty five years. This incident took place at the time of the meeting of Group of Eight and five developing countries, is a demonstration that all of us have to work together to evolve a collective strategy to free the world of the scourge of terrorism.

I participated in the meeting of the Group of Five that is ourselves,

Brazil, Mexico, South Africa and China. These five countries met before the common meeting of the Group of Eight. There is consensus among the five countries, the leading emerging economies as to what we should be saying and doing in international fora for the reform of the international trading system, for the international system for the transfer of the resources to the developing countries and the transfer of technologies from rich to poor countries.

At the meeting with the Group of Eight countries, I expressed our concerns about the way international system is functioning, paying inadequate attention to the needs of poor countries. I laid emphasis on reform of the international trading system and ensuring that the forthcoming Doha round of trade negotiation becomes generally a development round. I also laid emphasis on the fact that all countries of the world have an obligation to work together to find credible ways to protect and preserve our environment and the essential life support system of our planet. But I also said that this must be done mindful of the development imperatives that the problems that we face in the management of environment cannot be resolved by perpetuating the poverty of poor developing countries. Therefore, we have to reconcile the imperative of development with the imperative of making that development sustainable. That requires action on the part of the developed countries to ensure that trading system is fair, capital transfer to developing countries are more adequate, that arrangements are made for transfer of technology of clean technologies – Clean Net, to developing countries at affordable costs. I think some of these concerns are reflected in the statement issued by the Group of Eight countries.

It will be our effort to work together with other like-minded countries to ensure that our views find adequate reflection in whatever decisions are taken with regard to the management of climate change.



INDIA'S FOREIGN RELATIONS - 2005

Section - V **Shanghai Cooperation Organisation**

074. Statement by External Affairs Minister K. Natwar Singh on arrival at Astana, Kazakhstan for the Summit of Shanghai Cooperation Organisation.

Astana (Kazakhstan), July 4, 2005.

I am very happy to be in Astana to participate in this historic Summit of the Shanghai Cooperation Organisation. As you know, the SCO in its present form was established in September 2001, and we in India with great interest have followed the growth and expansion of the SCO, which has processed and granted India's application for observer status in the SCO expeditiously under the dynamic Chairmanship of the President of Kazakhstan, H.E. Mr. Nursultan Nazarbayev.

This is my second visit to Kazakhstan. The United Progressive Alliance Government, which assumed office after the general elections in India in May 2004, accords highest priority to developing relations with this region, especially Kazakhstan, which was the first Central Asian country I visited in my capacity as Minister of External Affairs. I am happy that on the major issues discussed by us on that occasion we registered considerable progress in the area of energy cooperation, we have established a Joint Technical Working Group under the India-Kazakh Inter-Governmental Commission in February 2005, which is currently working to identify areas in specific Indian investment could take place. In the area of IT, we are glad that a leading Indian IT Company NIIT, has jointly opened in April 2005 the first India-Kazakh Centre for IT education, together with the prestigious AL Farabi University in Almaty, for which purpose an IT delegation from Kazakhstan visited India in April this year.

In the area of foreign policy, our two countries have similar positions on major international issues. We have followed with deep interest the proposal of President Nazarbayev for the establishment of a Central Asian Union. This initiative is part of the larger process currently underway in Asia for the creation of an Asian Union. India is an active participant in these efforts, and we see the current initiatives in the historical context of our long held desire for greater cooperation between countries of Asia. The first Prime Minister of India Pandit Jawaharlal Nehru visited Kazakhstan in June 1955. He was an ardent advocate of closer cooperation between the countries of our region on the basis of the principles of peaceful coexistence,

or Panchsheel. My present visit to Kazakhstan is taking place exactly after 50 years of Prime Minister Nehru's visit.

It is in this context also that we have shown our interest in participating in the work of the SCO. The two major areas in which the SCO has already taken important initiatives are in the fight against terrorism and in greater economic cooperation. In both these areas, India feels that it can contribute in a significant manner to the SCO's common programmes. We are, of course, also interested in helping develop greater people-to-people contacts between the SCO countries and to revive the intense interflow of ideas and commerce that marked the heyday of the famous Silk Route era. I feel that the political, economic, social and cultural linkages that Asian countries are vigorously developing today, both individually and through organizations like the SCO, will play a significant role in reiterating our common Asian identity, and making this century the Asian countries.

It is my privilege to be here for the participation in this historic SCO Summit in Astana as Observer and I take this opportunity to convey to the people and the Government of Kazakhstan best wishes from the people of India and the Government of India.



075. Opening Statement by External Affairs Minister Natwar Singh at the Joint Press Conference at SCO Summit.

Astana (Kazakhstan), July 5, 2005.

It is a great honour and privilege for me to be here to represent India. I want to thank the original members of the SCO for bestowing this honour on India. It is equally pleasurable for me to say that we have joined as honorary members along with Pakistan and Iran.

We have had a very businesslike agenda this morning. Views have been expressed on what will be the task of the organization. We are all committed to the agenda for at least the first twenty-five years, if not longer, of the 21st century. The agenda is quite different than it was 25 years ago. We have to deal with terrorism, drug trafficking, HIV/AIDS, environment, problems of security and stability.

The new diplomacy is going to be not conventional diplomacy: It is going to be diplomacy on energy, economics, trade, and financial matters. We also need to catch up with the rest of the world in science and technology. My country, along with other countries present here, will be able to offer some benefits to not only this region but also other regions of the world.

The concentration of countries represented on this table - in terms of geography, in terms of natural resources, and in terms human resources - is very considerable indeed. We greatly look forward to making our modest contribution as Observers.

Once again, I want to thank the President of Kazakhstan His Excellency Mr. Nursultan Nazarbayev for arranging this meeting and taking good care of us. Also, thank you ladies and gentlemen who will be bringing what happened here before the world on the television screens and in the newspapers.

Once again, thank you.



076. Address by External Affairs Minister K. Natwar Singh at Shanghai Cooperation Organization Summit.

Astana (Kazakhstan) July 5, 2005.

Your Excellency President Nazarbayev, Distinguished Heads of State and Government, Excellencies, Friends,

2. I feel privileged to represent India on this historic occasion when the Shanghai Cooperation Organization has decided to accept India as an observer to the SCO. On behalf of the Government of India, I thank the Heads of State of the SCO member states for this decision.

3. India deeply appreciates the dynamic role played by the current Chairman of the SCO, His Excellency Mr Nursultan Nazarbayev, President of the Republic of Kazakhstan, in organizing this meeting and inviting us to Astana. I thank you, Mr. President, as well as the Government of Kazakhstan, for your warm hospitality and the excellent arrangements made for this meeting.

Excellencies,

4. The mature and statesmanlike manner in which the SCO leaders have guided the growth and orientation of this organization over the years is truly admirable, and portends well for its future. We have keenly observed that the SCO has taken several significant initiatives in two major areas of its activity namely, in combating terrorism and the development of economic cooperation. The SCO was one of the first major international organizations to take concrete steps in the war against terrorism, much before the events of September 11, 2001 focused the attention of the international community on the need for all countries to jointly cooperate and pool their resources in the war against terrorism, extremism and intolerance. As terrorism today has become a sinister trans-national activity, with terrorists taking full advantage of less than whole-hearted cooperation among states, it can be successfully countered through joint efforts by all states. I would like to reiterate India's strong interest in cooperating with the SCO in its initiatives to combat terrorism.

5. Another major area of SCO's activity is economic cooperation. The SCO brings together some of the largest and most populous countries, accounting for a major proportion of world's resources, both natural and human, as well as of global agricultural and industrial production. Our countries are dynamic growing markets, and have significant achievements and capabilities in frontier areas of science and technology. There is enormous potential for realizing mutually beneficial cooperation and synergies among our countries, and for converting this region into a catalyst for economic growth and prosperity. This will also promote the security and stability of this space, which is a matter of vital national interest for all members of the SCO family. The association of India with the SCO will, I am confident, make a useful contribution in this regard. We would also be happy to share with SCO member and observer states India's experience of economic reforms and the development towards a knowledge-based economy.

6. All of us can also benefit from closer people-to-people and cultural ties that provided mutually enriching contacts between the peoples of our rich and ancient civilisations over the centuries. Unfortunately, over time various barriers – many artificial – to the free flow of people and ideas have restricted our natural interaction. We need to work together to restore these

ties, and allow peoples to rediscover and to rekindle their common heritage and achievements.

7. In conclusion, I would like to reiterate my happiness at being present on this memorable occasion and to say that India very much looks forward to playing a positive, creative and constructive role in the SCO.



077. Suo Motu statement by External Affairs Minister K. Natwar Singh in the Lok Sabha on the Shanghai Cooperation Organisation Summit held in Astana.

New Delhi, August 22, 2005.

The Minister of External Affairs (shri K. Natwar Singh): Mr. Speaker, Sir, the Shanghai Cooperation Organisation, which includes China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, was set up in 2001. The basic objectives of the organisation are strengthening mutual trust, good neighbourliness, friendship and cooperation amongst the Shanghai Cooperation Organisation member-states, maintenance of regional peace, security and stability, assistance for economic and social development in the region. The various Summit and other meetings have issued declarations and taken forward cooperation amongst member countries not only by adopting confidence building measures but also undertake activities like joint military exercises, training programmes, and establishment of a Regional Anti Terrorist Structure headquartered in Tashkent. SCO has a Secretariat in Beijing and the Council of Heads of State is the supreme decision-making body.

As the SCO has emerged to be an important regional organisation involving countries of the Central Asian region and those around it, India applied for observer status in the SCO in March this year. In the SCO Summit held in Astana on 5th July, 2005, India, Pakistan and Iran were admitted as Observers (Mongolia was admitted as an Observer last year). I represented India at the Astana Summit in July. The Astana Summit focussed on terrorism, drug trafficking and promoting economic cooperation. I also had very useful bilateral meetings with the leaders assembled there. In view of

our own interest in strengthening relations with countries in our extended neighbourhood including Central Asia, it is in our interest to be closely associated with the SCO.

On the sidelines of the Summit, I had bilateral meetings with leaders of SCO countries. President Nazarbayev of Kazakhstan received me warmly and welcomed economic cooperation with India. The Chinese President Mr. Hu Jintao emphasised the need for cooperative partnership and coordination in international affairs. In my meeting with the Pakistan Prime Minister Shaukat Aziz and Foreign Minister Kasuri, we reviewed the status of our bilateral relations. We discussed possibilities of enhancing air, rail and road communications between India and Pakistan. We also noted the potential for cooperation between India and Pakistan in areas such as climate change and ozone depletion. Other bilateral meetings were with the President of Tajikistan, and the Foreign Ministers of Uzbekistan and Mongolia. I also had a pleasant exchange of views with President Putin of Russia. In the discussions with Russian Foreign Minister Sergey Lavrov, we reviewed our bilateral relations as well as the trilateral cooperation with China.



078. Statement by Minister of External Affairs K.Natwar Singh at Shanghai Cooperation Organization Council Heads of Government Meeting.

Moscow, October 26, 2005.

Your Excellency Mr. Miikhail Fradkov, Prime Minister of the Russian Federation, Distinguished Heads of Government of the members of the Shanghai Cooperation Organization, Distinguished representatives of SCO Observer countries,

Mr. Secretary General of SCO,

Excellencies, Distinguished invitees, Ladies and Gentlemen,

At the very outset, let me also convey the profound sympathy of my delegation to Pakistan on the loss of life and property suffered in the recent

earthquake. The Government and people of India are extending all possible assistance in relief and rehabilitation in a spirit of solidarity and good neighbour lines. At the same time, I wish to thank those delegation which have expressed their sympathy for the loss of life and damage to property that India has also suffered due to the earthquake.

It gives me great pleasure to be here in Moscow today and to participate in the SCO Council of Heads of Government Meeting. I would like to express my gratitude to the Government and people of Russia for hosting this Meeting and making such impeccable arrangements.

It was only in July this year that India was admitted as Observer to the SCO at the Astana Summit. India supports the objectives of the SCO which seeks to foster economic cooperation, ensure stability in the SCO region and combat terrorism and extremist view points. We would like to actively cooperate with our SCO partners to make a positive and constructive contribution to agreed areas of activities of SCO.

The Meeting of Council Heads of Government is concentrating on what we consider is a very important part of SCO activity i.e. promoting economic cooperation. We support the various initiatives mooted for increasing trade, which we feel are important for reducing regional economic disparities. We hope to cooperate with SCO member and observer countries to increase inter-SCO regional trade. Trade statistics reveal that most of our trade is with partners in other regions. We can gain considerably by increasing trade flows amongst themselves.

Since Central Asian SCO countries are land locked, the development of transportation networks, which would allow cost efficient transportation of cargo assumes considerably importance. In this connection, my government recently hosted the Coordination Council Meeting of the International North - South Transport Corridor (INSTC) in New Delhi on 20-21 October. Some of the SCO members and observers are participants in the INSTC, which seeks to put into use a shorter and more efficient transportation route to Russia and Central Asia. All participants in the meeting agreed to work together to facilitate greater use of the Corridor. This is a good example of an area where we need to work closely together for finding creative solutions to problems which come in the way of greater commercial exchanges.

SCO is making strides in fostering economic development. In this meeting, decisions related to initiatives such as the establishment of the SCO Business Council, SCO Development Fund and the mechanism of inter-banking cooperation are to be taken. It is our hope that these initiatives would allow for greater investment in the SCO region and that we work on establishment of joint ventures in each other's countries. I would like to highlight that robust economic growth is not possible without developed financial sectors. India has considerable experience in this regard and we can collaborate with other SCO partners by taking advantage of available complementarities.

Energy is another area where there can be meaningful cooperation. We are organizing on 25th November in Delhi an Asian Energy Conference, which will bring together energy producers and consumers. Under the SCO umbrella, we have important consumers and producers of the world. It would be worthwhile if energy cooperation could become a priority sector within the ambit of SCO activities. Perhaps regular meetings of Energy Ministers could be held under the SCO framework. In this context, we would welcome active cooperation on the proposed Iran-Pakistan-India and the Turkmenistan-Afghanistan-Pakistan-India gas pipelines.

It is our firm belief that economic cooperation and development in an environment of security and stability will be beneficial for our region. India is keen to play a constructive and active role in the SCO. On behalf of the Government and people of India, I would like to express my happiness at the opportunity of being present today and addressing this distinguished gathering.



INDIA'S FOREIGN RELATIONS - 2005

Section - VI Natural Disasters

079. Statement by External Affairs Minister K. Natwar Singh at the Special Meeting of leaders convened by ASEAN in the aftermath of the Earthquake and Tsunami.

Jakarta, January 6, 2005.

Your Excellency Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia

Your Excellencies Heads of State and Government
Secretary General Kofi Annan of the United Nations
Distinguished Foreign Ministers

Colleagues and Friends,

Existing vocabularies are inadequate to describe the intensity and magnitude of the horrendous catastrophe that hit a dozen countries of the Indian Ocean. The light went out of so many homes in so many countries in so short a span of time – only a few minutes.

Yesterday, the Foreign Minister of Indonesia used a striking phrase for this Conference – “a community of grief”. I agreed. But let me also add that this community of grief is not and must not become a community of despair. As the Prime Minister of Singapore said, the resilience of the human spirit cannot be underestimated. We are facing this unmeasurable tragedy with determination, vigour, resolution, strong-nerves and with the dedicated team of workers under the UN. The year 2004 ended in unparalleled tragedy. 2005 begins with collective hope and sustained action.

South and Southeast Asia are a region joined by history and by deep rooted social and cultural ties. We are also, we realize, joined by one ocean. Centuries of interaction have created a natural sense of affinity and empathy amongst our people. It is, therefore, only natural that we have today come together in the face of this unprecedented disaster. Other friends from across the globe have joined us. This vividly demonstrates the truth of the ancient Sanskrit saying “Vasudhaiva Kutumbakam”, or that the world is one family, said more than 3000 years ago.

In India, the Tsunami has caused extensive damage in the Andaman and Nicobar Islands, the states of Tamil Nadu, Andhra Pradesh, Kerala,

and Pondicherry. The death toll has already crossed the figure of 9,500 and is likely to go up further as more than 5,800 persons are still missing.

The Government of India, along with those of the affected Indian States and Union Territories, has mounted massive relief and rescue operations. Initially, the focus was on search, evacuation and relief efforts. The situation in Tamil Nadu, Andhra Pradesh, Kerala and Pondicherry has stabilized, and is returning to normalcy. It is stabilizing rapidly in various islands in Andaman district. The focus now is on establishing the communications network, prevention of outbreaks of epidemics and relief and rescue operations in the Nicobar Group of islands, which are the worst affected. Large quantities of food, drinking water, medicines, tents, torches and generator sets have been delivered, and more are ready for delivery. Supplies to inaccessible areas are being air-dropped. For the Andaman and Nicobar Group of Islands, an Integrated Relief Command has been constituted for effective coordination and operationalization of relief and rehabilitation measures. Till the 4th of January the Government of India had incurred an expenditure of US \$ 250 million on the relief and rehabilitation effort within India. We have also given due importance to alleviating the psychological impact of the disaster through trauma counseling, early reopening of schools and providing access to TV sets.

We deeply appreciate the offers of help which have poured in from several countries. So far we have managed on our own. Our experience of handling natural disasters has enabled us to develop well-defined institutional mechanisms for disaster management at all levels. The lessons that we learnt from the Orissa cyclone of 2000, the Gujarat earthquake of 2001 and other disasters have helped us to effect a paradigm shift in our approach to disaster management, proceeding from the conviction that development cannot be sustainable unless disaster mitigation is built into the development process at all levels. There are designated officers to coordinate the entire disaster response at the national, state and district levels. These institutions swing into action immediately in the aftermath of a disaster. Standard operating procedures for different disasters have been developed and regular drills are organized. A Calamity Relief Fund has been set up in each State to enable State Governments to incur immediate expenditure on response and relief operations in the event of a disaster. This is supplemented by a National Calamity Contingency Fund at the Central Government level. Eight battalions of para-military forces have been equipped as Specialist Search and Rescue Teams. This holistic approach

was extremely useful in dealing with the aftermath of the Tsunami. We have circulated a document on Disaster Management in India which gives in detail our approach and experience in handling natural disasters. Perhaps this could be of some interest to all of you here.

It is our evaluation that we can deal with the challenges, insofar as they affect India, with our own resources. We would, of course, be in touch with our friends in case any specialized requirements were to come up. It would, therefore, be appropriate that international relief is directed where it is most urgently required. The international outpouring of compassion - and funds - has indeed been tremendous. We realize, however, that more funds may be required in the months to come. Equally important are steps to ensure a long-term coordinated and sustained response and an effective relief distribution mechanism which is transparent and sustained.

I would like to say a special word about the children who have been orphaned by this tragedy. The seven to ten year olds who have lost their parents, we hope that their lives are not darkened forever. We need to provide them solace and comfort.

India, on its part, was among the first countries to contribute to the international relief efforts by sending needed assistance swiftly to our neighbours who have suffered even more.

We have placed a hospital ship off the coast of Aceh, Indonesia, which has been the worst hit area. This ship is providing emergency rations, medicines, tents and first aid kits. It is also equipped to set up on-shore medical facilities. Another naval ship has brought relief and emergency medical supplies. Even as I speak, the Indian relief effort at Meulaboh is in full operation. An onshore field hospital has been set up in this devastated town and relief supplies are being delivered and distributed to the victims. We are ready to do more to assist Indonesia in required areas.

Two naval ships have set up medical camps in the Maldives. A naval tanker with drinking water and a water purification plant is also in place. The four aircraft that carried supplies to the Maldives are now stationed there to assist with rescue and relief operations.

Two naval vessels are berthed at Trincomalee in Sri Lanka and are undertaking clearance work at the harbor. One of them, after discharge of supplies, will be converted into a hospital ship. Another two naval vessels

anchored off the Galle port are heli-lifting supplies. Two Iluyshin 76 aircraft carrying military field hospitals have reached Sri Lanka. Seven helicopters and two other aircraft are operating from Colombo.

India whole-heartedly supports the efforts of the United Nations and the presence of the UN Secretary General here today is a testimony to the UN's important role in coordinating international relief, and in finding ways and means to address the gaps in the relief process. We are happy to place the strengths of the Indian Navy for use in humanitarian relief in the region.

ASEAN has taken the initiative to bring all of us here today. I thank you, Mr. Chairman, and the Prime Minister of Singapore. Our partnership with ASEAN is matter of mutual satisfaction. It will be deepened by our efforts to jointly address the tragedy which we together face today. India and ASEAN have agreed to cooperate in the field of space technology and its applications for weather forecasting and disaster mitigation. We have also established a BIMSTEC Centre on Weather and Climate in New Delhi. Perhaps there is a role here for the Indian Ocean Rim Association for Regional Cooperation too. There is great merit to activating a regional approach that complements national efforts to handle natural disasters. This allows us to pool together our respective strengths and complementarities effectively and efficiently.

As we address current disaster relief priorities, it is also time to look at medium to long term objectives. An evaluation is needed of the various long term warning systems for different disasters that we need to put in place. Even more important will be mechanisms to be able to disseminate early warning signals obtained from these systems to the public.

In conclusion, we thank the Government of Indonesia and the Governments of the other ASEAN countries for organizing this meeting. There is need to deal with both emergency relief issues as well as with later phases of rehabilitation and reconstruction. India is committed to continuing its support and assistance in every possible way, including providing trained search and rescue teams, setting up web-based disaster management information systems, and human resources development for disaster management.

Thank you for giving me this opportunity.



080. Press release of the Ministry of External Affairs on India's position on Tsunami relief assistance.

New Delhi, January 21, 2005.

During the past three weeks, the Government and the people of India have been engaged in an unprecedented effort to overcome the loss of life and devastation caused by the Tsunami. There has been an overwhelming response and demonstration of support by individuals and non-governmental organizations in India. Foreign governments and international agencies have also extended overwhelming sympathy and support. This has been an occasion for the display of national solidarity as also solidarity amongst the peoples of the world. The Prime Minister's Relief Fund has received and continues to receive substantial contributions from both within India and abroad, to assist in our relief efforts.

India takes pride in the fact that even while it has had to cope with the Tsunami disaster within its own shores, it has been able to extend modest assistance to friendly neighbouring countries, who have suffered extensive damage from this natural disaster. We intend to continue our support, within the limitations of our own resources, in the new phase of rehabilitation and reconstruction in these countries.

In India too, we are currently clearing the decks for a massive programme of reconstruction of areas that have been destroyed by the Tsunami. This also involves an extensive programme for rehabilitation of the people rendered homeless and those who have also lost their means of livelihood. In this phase, we will continue to mobilize a major national effort in which major contributions will have to be made by Government agencies, NGOs as well as the efforts of individuals. During the relief phase, Government of India had stated that while it deeply appreciated the offers of assistance from foreign Governments and international agencies, it had the capabilities and resources to deal with the aftermath of the disaster through its own national effort. Taking into account the requirements that are now emerging in the new phase of rehabilitation and reconstruction, the Government of India has decided to approach international and multilateral agencies such as the World Bank, the Asian Development Bank and the United Nations for assistance. Such assistance will be closely coordinated with our own national effort and will have, as its objective, the

earliest possible return to normalcy in the areas affected by the Tsunami.

Funds from bilateral and other multilateral sources could also be channelised through these three agencies in order to ensure better coordination.

It may be noted that international NGOs in India are already working side by side with their Indian counterparts and Government agencies in extending valuable assistance to people in the Tsunami affected areas. We deeply appreciate their contribution and look forward to our continuing partnership with them.

While most Tsunami affected areas are open to the activities of foreign and international agencies and NGOs, there are only a few sensitive areas where the Government of India will be relying on its own resources to carry out rehabilitation and reconstruction.



081. Joint statement of Asian-African Leaders on Tsunami, Earthquake and Other Natural Disasters.

Jakarta, April 23, 2005.

We, the Heads of State/Government of Asian and African countries, gathered in Jakarta, Indonesia on 22-23 April 2005, expressed our profound grief at the losses of lives and livelihood caused by the earthquake and tsunami disaster in the Indian Ocean on 26 December 2004.

We are cognizant that the earthquake and tsunami disaster is a strong reminder that our two continents are bound together, in that the impact of the devastation was jointly felt by the peoples in both continents.

We noted that this natural catastrophe had generated an unprecedented scale of international response, assistance and empathy. In this regard, we commended the leading role of affected countries and the valuable contributions of the international community, including the Asian-African countries, in addressing the recent earthquake and tsunami disaster by collectively assisting in emergency relief efforts as well as in reconstruction and rehabilitation efforts.

We pledge to encourage the continued development of appropriate measures pertinent to disaster reduction, mitigation and management, which will be supportive of the outcome of the Special ASEAN Leaders Meeting on Aftermath of Earthquake and Tsunami held in Jakarta on 6 January 2005.

We also took note of the outcomes of various initiatives to address tsunami and other natural disasters, inter alia the World Conference on Disaster Reduction held in Kobe; the Ministerial Meeting on Regional Cooperation on Tsunami Early Warning Arrangements held in Phuket; the Africa Regional Strategy for Disaster Risk Reduction of the Third AU Summit held in Addis Ababa; and other international conferences under the auspices of the United Nations, including the World Summit on Sustainable Development held in Johannesburg.

We realized that natural disasters such as earthquakes and tsunami tidal waves respect no political borders and pose a major threat to all people as well as their livelihood and environment, as their unmitigated impact and aftermath undermines the progress of social and economic development.

We recognized the expertise and experience of countries in the Indian Ocean Rim and the Pacific Rim in addressing the problem of tsunami and earthquake disasters and therefore emphasized the urgent need to invest in the development of proactive, integrated, multi-hazard and multi-sectoral standby arrangements and early warning system to mitigate natural disasters in the Indian Ocean Rim.

To these ends, we are determined to:

1. Establish an integrated strategy for the development of a multi-nodal early warning system with mechanisms for preparedness, prevention, mitigation and response, with a view to minimizing casualties;
2. Establish and upgrade national early warning systems, including those that are based on community participation, while moving towards enhancing cooperation in the development of a coordinated regional system;
3. Explore ways and means to enhance the effectiveness of collective actions through consideration of possible rapid response capacities at the regional and international levels by inter alia establishing a standby arrangement for disaster relief and emergency response, creating networks

for information exchange, establishing research and database centers, maximizing the use of the latest advances in science and technology, and developing strategies to reduce the risk and impact of natural disasters;

4. Reinforce efforts to create among all levels of Asian and African societies a culture of disaster risk reduction and empower those at risk to achieve protection against disaster impacts by way of enhancing capacity building, promoting public education and awareness as well as community participation in disaster prevention and mitigation;

5. Encourage greater interaction among experts from Asia and Africa in finding practical ways and means, as well as sharing best practices and experiences, on preparing Asian-African countries for the direct impact of disasters and possible secondary effects such as on public health and environmental crises;

6. Encourage the international community to continue efforts to provide disaster affected countries with technical and financial assistance, including in rehabilitation and reconstruction efforts.

We are determined that, harnessed within a spirit of compassion, sacrifice and endurance, our preparedness and capacity to proactively address the affects of tsunami, earthquake and other natural disasters will prevail to the future betterment of our peoples.



082. Declaration on Avian Influenza Prevention, Control and Disease issued at the end of the East Asian Summit.

Kuala Lumpur, December 14, 2005.

Palase Document No. 276.



INDIA'S FOREIGN RELATIONS - 2005

Section - VII Asia

(i) South Asia

083. Speech of Foreign Secretary Shyam Saran on “India and its Neighbours” at the India International Centre (IIC).

New Delhi, February 14, 2005.

It is said that the logic of geography is unrelenting and proximity is the most difficult and testing among diplomatic challenges a country faces. Frontiers with neighbours are where domestic concerns intersect with external relationships. This is where domestic and foreign policies become inextricable and demand sensitive handling. It should come as no surprise therefore, that in defining one’s vital national and security interests, a country’s neighbourhood enjoys a place of unquestioned primacy.

The intertwining of domestic and external interests has acquired a new intensity in this new millennium. Technological change is bringing in its wake a more globalized world where nation states and national boundaries can no longer provide the untrammelled autonomy that is associated with national sovereignty. While globalization has brought many benefits and opportunities for development and for the enrichment of our lives, there are also fears of losing one’s identity and of being overwhelmed by powerful and technologically advanced societies. We are faced with the emergence of sub-nationalism and ethnic exclusivity even while a more interconnected world requires mutual understanding and tolerance. South Asia is not immune to these global trends and this forms the backdrop to the challenge we face in formulating our policies with regard to our neighbours.

On what basis does India define its neighbourhood policy? Most recently, did our reaction to events in our neighbourhood, or our decision to seek postponement of the SAARC Summit, conform to an intelligent and well-considered neighbourhood policy?

Let me begin by stating the obvious. South Asia is a compact unit, of sub-continental proportions, but occupying an easily identifiable geographical space, enjoying a broad cultural unity and a wide range of intra-regional economic complementarities. There were mighty empires in our history that straddled this sub-continent and the experience of colonialism more recently, reinforced the legacy of interconnectedness and affinity. Then came the trauma of partition, the growth of assertive nationalism, the drift

away from democratic freedoms in some countries of our neighbourhood and the impact of global strategic and ideological rivalries, turning our sub-continent into a region of division and conflict, engendering a sense of siege both among States in our periphery and in India itself. The sub-continent is now home to several independent and sovereign states and this is a compelling political reality.

As a flourishing democracy, India would certainly welcome more democracy in our neighbourhood, but that too is something that we may encourage and promote; it is not something that we can impose upon others. We must also recognize, regrettable though this may be, that the countries of South Asia, while occupying the same geographical space, do not have a shared security perception and, hence, a common security doctrine. This is different from EU or ASEAN. In South Asia, at least some of the States perceive security threats as arising from within the region.

Keeping in mind this reality, our approach to SAARC was the only one logically sustainable – we set aside our differing political and security perceptions for the time being, and focus attention on economic cooperation. Our expectation was that the very dynamic of establishing cross-border economic linkages, drawing upon the complementarities that existed among different parts of our region would eventually help us overcome the mutual distrust and suspicion which prevents us from evolving a shared security perception. This remains our hope today, even though the record of SAARC in this respect, has been hardly inspiring. The fact is that SAARC is still largely a consultative body, which has shied away from undertaking even a single collaborative project in its 20 years of existence. In fact, there is deep resistance to doing anything that could be collaborative. On the other hand, some members of SAARC actively seek association with countries outside the region or with regional or international organizations, in a barely disguised effort to “counterbalance” India within the Association or to project SAARC as some kind of a regional dispute settlement mechanism.

It should be clear to any observer that India would not like to see a SAARC in which some of its members perceive it as a vehicle primarily to countervail India or to seek to limit its room for manoeuvre. There has to be a minimal consensual basis on which to pursue cooperation under SAARC, and that is the willingness to promote cross-border linkages, building upon intra-regional economic complementarities and acknowledging and

encouraging the obvious cultural affinities that bind our people together. If there continues to be a resistance to such linkages within the region, even while seeking to promote linkages outside the region, if the thrust of initiatives of some of the members is seen to be patently hostile to India or motivated by a desire to contain India in some way, SAARC would continue to lack substance and energy.

India already has a set of bilateral relationships with its neighbours, which vary in both political and economic intensity. What can SAARC offer as an additionality to this set of relationships? Clearly, the creation of a free market of 1.3 billion people, with rising purchasing power, can be a significant additionality for all SAARC members. Currently, intra-regional trade accounts for only 5% of SAARC's total foreign trade and this needs to be addressed. But the mere lowering of tariffs and pruning of negative lists do not add up to a true free market. The political lines dividing South Asia have also severed the transport and communication linkages among member countries. The road, rail and waterway links that bound the different sub-regions of the sub-continent into a vast interconnected web of economic and commercial links, still remain severed. Transit routes, which would have created mutual dependencies and mutual benefit, have fallen prey to narrow political calculations. Unless we are ready to restore these cross-border linkages and transportation arteries throughout our region, SAFTA would remain a limping shadow of its true potential.

India is today one of the most dynamic and fastest growing economies of the world. It constitutes not only a vast and growing market, but also a competitive source of technologies and knowledge-based services. Countries across the globe are beginning to see India as an indispensable economic partner and seeking mutually rewarding economic and commercial links with our emerging economy. Should not our neighbours also seek to share in the prospects for mutual prosperity India offers to them? Do countries in our neighbourhood envisage their own security and development in cooperation with India or in hostility to India or by seeking to isolate themselves from India against the logic of our geography? Some neighbours have taken advantage of India's strengths and are reaping both economic and political benefits as a result. Others are not. If globalization implies that no country can develop in an autarchic environment, is this not true even more for countries within a region? If SAARC is to evolve into an

organization relevant to the aspirations of the peoples of South Asia, then these questions will need deep reflection and honest answers.

The challenge for our diplomacy lies in convincing our neighbours that India is an opportunity not a threat, that far from being besieged by India, they have a vast, productive hinterland that would give their economies far greater opportunities for growth than if they were to rely on their domestic markets alone.

It is true that as the largest country in the region and its strongest economy, India has a greater responsibility to encourage the SAARC process. In the free markets that India has already established with Sri Lanka, Nepal and Bhutan, it has already accepted the principle of non-reciprocity. We are prepared to do more to throw open our markets to all our neighbours. We are prepared to invest our capital in rebuilding and upgrading cross-border infrastructure with each one of them. In a word, we are prepared to make our neighbours full stakeholders in India's economic destiny and, through such cooperation, in creating a truly vibrant and globally competitive South Asian Economic Community.

However, while we are ready and willing to accept this regional economic partnership and open up our markets to all our neighbours, we do expect that they demonstrate sensitivity to our vital concerns. These vital concerns relate to allowing the use of their territories for cross-border terrorism and hostile activity against India, for example, by insurgent and secessionist groups. As countries engaged in the task of economic cooperation, we need to create a positive and constructive environment by avoiding hostile propaganda and intemperate statements. India cannot and will not ignore such conduct and will take whatever steps are necessary to safeguard its interests.

India would like the whole of South Asia to emerge as a community of flourishing democracies. We believe that democracy would provide a more enduring and broad-based foundation for an edifice of peace and cooperation in our sub-continent. Half a century of political experience in South Asia has provided a clear lesson that while expediency may yield short term advantage, it also leads to a harmful corrosion of our core values of respect for pluralism and human rights. The interests of the people of South Asia sharing a common history and destiny, requires that we remain

alert to the possible dangers we face when attempts are made to extinguish a democratic order or yield space to extremist and communal forces.

While democracy remains India's abiding conviction, the importance of our neighbourhood requires that we remain engaged with whichever government is exercising authority in any country in our neighbourhood. Our sympathy will always be with democratic and secular forces. We will promote people to people interaction and build upon the obvious cultural affinities that bind our peoples together. We need to go beyond governments and engage the peoples of South Asia to create a compact of peace and harmony throughout our region. To remain relevant, SAARC must begin to function as an effective vehicle to facilitate such contacts, bringing scholars, artists, scientists, youth and sportsmen together in regular events.

India is fully aware that its destiny is inseparable from what happens in its neighbourhood. For our own sustained economic development and the welfare of our people we need a peaceful and tranquil periphery. We also believe that the establishment of a peaceful neighbourhood is integrally linked to economic development in our neighbouring countries, an objective that would be best served by India giving access to its neighbours to its huge and growing market. Economic integration in the sub-continent must restore the natural flow of goods, peoples and ideas that characterized our shared space as South Asians, and which now stands interrupted due to political divisions.

India wishes to reassure its neighbours that it respects their independence and sovereignty. What it regards as unhelpful is the display of narrow nationalism based on hostility towards India that often becomes a cover for failure to deliver on promises made to their own peoples. This inhibits the development of normal relations, including economic cooperation, and prevents our region from emerging as a region of both political stability and economic dynamism.

The people of South Asia are one of the most talented and creative people anywhere in the world. They have won honours for their motherland in distant climes. If these creative energies of over 1.3 billion people were pooled together what heights could we not achieve? Let us make a new compact, therefore, among the countries of South Asia. Let us exorcise the ghosts of the past and join hands together across our borders, to unleash

the immense energies of our peoples in a shared pursuit of collective prosperity. Our peoples deserve nothing less.



084. Speech by Prime Minister Dr. Manmohan Singh at the Haksar Memorial Conference.

Chandigarh (Punjab), November 9, 2005.

Ladies and Gentlemen,

I am happy to be here today for more than one reason. I have fond memories of my association with the Centre for Research in Rural and Industrial Development and my association with each one of you. I am proud of the good work being done by this Centre and compliment Rashpal Malhotraji for the dedication with which he has built this institution.

I am also very happy to be here today because this Conference is dedicated to the memory of a very revered and respected friend of CRRID, and of all of us, the late Shri P N Haksar. CRRID benefited immensely from his advice and guidance as the first Chairman of its Board of Governors and his role as Editor of the journal Man and Development.

Your Conference is discussing a wide range of issues that reflect the many pre-occupations of Haksarji. He was a remarkable civil servant and diplomat who had a deep understanding of the world as well as of our complex polity. He was a scholar, statesman and a passionate believer in the role of science and technology in transforming India. He was, above all, a truly pan-Indian personality, perhaps one can even say a truly South Asian personality. His deep understanding of the region enabled him to reflect on the complex challenges facing South Asia.

I hope CRRID will devote itself to a comprehensive research project on how we can take forward the process of development and regional cooperation within South Asia. The history of the 20th Century is behind us, and its consequences are with us. We have all come to live with the reality of the new political, economic and social realities of South Asia. Positioned

as we are, geographically and economically, India has a pivotal role in the region. This position brings with it both privileges and responsibilities.

It has often been said that one can choose one's friends but not one's neighbours. That, in itself, is not a satisfactory proposition. One must endeavour to ensure that our neighbours are also our friends. But, as they say, it takes two hands to clap. I do sincerely hope that this region shows the wisdom and foresight required for all of us to work together to reclaim for it the glory that makes us all proud of our inheritance.

I have often said that we have, in South Asia, not just shared boundaries and shared civilisational roots, but also a shared destiny. It is not just our past that binds us together, but our future too. As the two recent natural disasters - the tsunami of last year and the recent earthquake - have proved, even nature has ordained it so.

Given all these links and inter-connections, I do believe we need to invest more time and energy in working together to deal with the great challenges of our time. Be it the challenge of eliminating poverty or the challenge of fighting terrorism. The fight against poverty and terrorism in South Asia is an indivisible fight. These are threats to the life, peace and security of all our peoples and we must deal with them as such. No country can any longer pretend that some one's terrorists could be some one else's freedom fighters. No government can any longer pretend that what happens across the border is not going to hurt it internally. Be it poverty, be it disease, be it natural disasters or be it terrorism, the destiny of South Asia is inter-linked and we must learn to work together to deal with these challenges.

I hope we can all approach the SAARC Summit later this week with this perspective in mind, a perspective of inter-dependency that strengthens our collective security and secures our collective prosperity. I am aware that we in India will be expected to take the lead in many areas. This is the privilege and responsibility I referred to earlier. I do believe that we must work with our neighbours to ensure that all nations benefit from the growth process in the region. Our neighbours must see us as a land of opportunity. Be it in education, in health care, in tourism, in trade and investment opportunities, India has the capacity and the tradition to be welcoming of its neighbours. Provided, of course, that those who visit us come as our friends and our well-wishers and bear no ill-will towards our people and our Nation.

I am happy that the South Asian Free Trade Area, SAFTA, is on the anvil. This SAFTA is the first step in the evolution of SAARC as a regional trade bloc and an economic union. Most of the discussion on SAFTA centers around its favourable effect on intra-regional trade. Regional economic integration, however, is more about finding an engine of growth rather than just for promoting trade. Countries - developed as well as developing - have looked to regional economic integration as a means of strengthening their international competitiveness and as an engine of economic growth in recent years.

Thus, European countries began with a single Common Market that keeps expanding and has gone as far as to give up their national currencies. North American countries have formed NAFTA and are moving ahead with plans for a larger Free Trade Area of Americas (FTAA). Nearer home in Asia, we have ASEAN that is emerging as an important regional grouping with the implementation of the ASEAN Free Trade Area (AFTA). In fact, ASEAN expedited the implementation of AFTA in the wake of the East Asian Crisis of 1997 and have now set before themselves a goal of creating an ASEAN Economic Community in the coming decades. The ASEAN countries are also getting integrated with the economies of countries in the neighbourhood, namely, Japan, Korea and China and also India, through free trade agreements.

The new-found interest in such regional arrangements is based not just on trade promotion but on exploiting the potential of efficiency-seeking restructuring of industry on a pan-regional basis. This would have income and efficiency effects and hence could be valuable drivers of growth. The experience of European Union suggests that the formation of the single European market led to a substantial restructuring of industry on a pan-European basis and hence enabled it to exploit economies of scale, scope and specialization. The efficiency-seeking restructuring unleashed by the process of economic integration has helped in convergence of income levels between richer EU members (e.g. Germany) and poorer ones (Spain, Portugal and Greece).

Given the strong trends towards economic integration which go far beyond tariff reductions to gradual economic convergence, any region can ignore the formation of its own scheme of regional integration only at its peril. By removing trade policy barriers, SAFTA would lead to an estimated trebling of intra-regional trade on a conservative estimate. This would make

South Asian internal trade more respectable compared to a marginal 4-5 % share as of now. By making it possible to trade directly rather than through third countries, it would also lead to cost savings for the region.

However, we must see SAFTA as the forerunner of deeper economic integration in the region. The limited experience with trade liberalization that South Asia has had so far in the framework of SAPTA or bilateral FTAs, has already had a beneficial impact. The Indo-Sri Lanka bilateral FTA, for instance, even within a short period of less than three years of implementation, has led to a lot of dynamism in bilateral trade and investment flows. Thus an Indian tyre company set up a large export-oriented tyre plant in Sri Lanka to cater to its growing markets in Pakistan, Middle East and other countries taking advantage of abundant supply of natural rubber in the country. UNCTAD's The World Investment Report 2003 has highlighted how Sri Lanka attracted Indian investments of US\$ 145 million in a very short period making India the third largest source of investments for the island. Similarly, the India-Nepal FTA of 1996 spurred many Indian companies to shift production of common consumer goods for the north-Indian market to Nepal. As a result, these items emerged as some of the most important items of Nepal's exports to India.

The other lesson that comes out of recent experiences of regional economic integration in South Asia, as elsewhere, is that the smaller and poorer countries benefit more from RTAs as their trade becomes more balanced. An example is the India-Sri Lanka FTA which has benefited Sri Lanka. This success has prompted Sri Lanka to seek to expand the scope of the India-Sri Lanka FTA to cover investments and services in a comprehensive economic partnership agreement.

Regional economic integration will also make member countries especially the smaller ones more attractive destinations for third country investments by obviating the constraint imposed by a small domestic market. Studies have shown that the opportunity cost of non-cooperation for South Asian countries has been substantial. Regional economic integration in South Asia could generate billions of dollars of new income, employment, trade and could help the region in its fight against poverty.

Thus, SAFTA may help in evolving a horizontal specialization across the region to enable the most optimal utilization of the synergies between member countries for their mutual advantage. SAFTA is a step in the right

direction. However, to exploit its full potential we need to complete the process of SAFTA expeditiously, complement it by a SAARC Investment Area and move on to deepen it further by forming a SAARC Customs Union and then gradually to an economic union.

SAARC could also evolve a forum for annual meetings of economic or industry ministers to facilitate discussion on exploitation of complementarities in their economies for mutual advantage.

SAARC should also take steps to improve physical connectivity by road, railways, inland waterways and shipping and air links to exploit the advantages of geographical proximity. They could evolve a common SAARC Transport Policy to facilitate movement of goods across the region.

Energy cooperation presents immense potential. To promote regional cooperation in the area of energy a South Asian Energy Dialogue comprising experts, academics, environmentalists, bureaucrats and NGOs could examine the potential for energy cooperation and suggest measures to exploit this potential. These are just some of the ideas that are worth pursuing. There are many more, especially in the sphere of education, health care, tourism and disaster management.

Institutes like yours must do the required research to work out the costs and benefits of such projects and programmes so that policy makers can take more informed decisions. More importantly, your professional research can help create the required public opinion, and convince skeptics, so that Governments are better empowered in pursuing new initiatives.

The time has come for a new vision, a new commitment and a new sense of purpose in South Asia and I hope we have the political will and wisdom to seize the moment. I hope your conference will discuss some of these issues freely and frankly, bringing professional opinion to bear on the deliberations.



**(ii) SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION (SAARC)**

085. Media briefing by Foreign Secretary Shyam Saran on the postponement of the 13th Summit Conference of the South Asian Association for Regional Cooperation.

New Delhi, February 2, 2005.

Official Spokesperson : Good evening ladies and gentlemen and welcome to this press briefing by the Foreign Secretary. I request the Foreign Secretary to address the press and then we will take a few questions in our usual fashion.

Foreign Secretary : Good afternoon.

This is a statement relating to the XIII SAARC Summit.

We have formally communicated to the Government of Bangladesh that India would not be able to attend the forthcoming SAARC Summit in Dhaka on the scheduled dates. A request has been made for fresh dates to be worked out through consultations among the member States.

This decision has been taken against the background of recent developments in our neighbourhood, which have caused us grave concern. The security situation in Dhaka has deteriorated in recent days following the fatal attack on the former Finance Minister of Bangladesh, Mr. SAMS Kibria¹. The Government of India wishes to reiterate its continuing and consistent commitment to the SAARC process, and to increased regional cooperation among member States. It is only in an environment free from political turmoil and violence that a Summit would yield the desired outcome. That is the statement, which I wish to make this afternoon.

Question : What is your assessment of the security situation in Nepal?

Foreign Secretary : The information that we have is a little limited because all communications between Nepal and the outside world continue to be interrupted. There are no telephone communications possible. There is no Internet. We are ourselves in touch with the Embassy of India in Kathmandu only through our own satellite telephone link. We are also aware of the fact that all international flights to Kathmandu except for the Royal Nepal Airlines

1. The previous day (Feb. 1) in response to a question on the SAARC Summit, the Official Spokesperson had said, "a high – level security team is being dispatched from India today to make a fresh assessment of the situation on the ground."

have not been operating since yesterday. But I am happy to tell you that today an Indian Airlines flight has proceeded to Kathmandu at 1215 hours. Perhaps another flight would also be mounted sometime later today in order to ensure that Indian passengers who are stranded in Kathmandu are able to come back home. We are also in possession of information that the political party leaders, those in Kathmandu, have been detained at their respective residences; their movements have been restricted; and their houses are being guarded by Royal Nepal Army personnel. We have also learnt that some political party leaders have been arrested and detained by the security forces. We have some information, for example, from some border towns on the India-Nepal border. We are unable to really make a very comprehensive assessment of the situation in the absence of information because of the complete interruption of communications. We hope that these communications will be restored soon.

Question : Have you communicated to the Nepalese Government or the King? Has there been any formal communication?

Foreign Secretary : I have spoken a little while ago to my Bangladesh counterpart and I have communicated to him the decision that I read out to you in this statement. Our External Affairs Minister has also spoken to the King of Bhutan as well as to the Foreign Minister of Sri Lanka also on the same lines. I have also spoken to the Sri Lanka Foreign Secretary in this regard. I was unable to get through to the Pakistani Foreign Secretary but we have communicated the same decision to the Pakistan Foreign Ministry.

Question : And Nepal?

Foreign Secretary : In Nepal, as I mentioned, the difficulty is that the communications are all interrupted. But we have informed our Ambassador in Kathmandu with the request that he should convey this in the best manner possible to the Nepali Foreign Ministry, if he is able to get in touch with them.

* * * *

Question : Was meeting of the Prime Minister with the King in Dhaka one of the reasons for not going to the Summit?

Foreign Secretary : I shall draw your attention to my Statement in which it

has been clearly stated 'This decision has been taken against the background of recent developments in our neighbourhood which have caused us grave concern'. *Whatever its implication, it is quite clear.*

Question : ...Inaudible... is the Nepal situation and that the King announced that he would be going to Bangladesh. Was that a part reason for the decision?

Foreign Secretary : I again draw your attention to the statement that I read out which says very very clearly – I do not think there is any ambiguity in this – that this decision has been taken against the background of recent developments in our neighbourhood which have caused us grave concern. Certainly, the developments in Nepal as well as the continuing and deteriorating security situation in Bangladesh, these are the two key factors.

* * * *

Question : Yesterday our security team was sent to Bangladesh to assess the security situation there. Has the team come back? If it has come back, has it given any report?

Foreign Secretary : The team has not yet come back. It is still in Dhaka. But the statement, which I read out is of course also based on the assessment that they have communicated to us from Dhaka regarding the security situation in the capital.

Question : Bangladesh has been very keen to go ahead with the SAARC Summit. Yesterday the Bangladesh Foreign Minister was quoted as saying that the King of Nepal has conveyed his acceptance. I understand the context in which the decision has been taken. But do you feel that India will be seen acting like a Big Brother in postponing the SAARC Summit? Do you feel there will be some implications for India's foreign policy in the wake of this decision?

Foreign Secretary : I think it is very clear why we have taken this decision. I think this decision is a logical outcome of our assessment of the situation in the neighbourhood. There is no question of behaving like a Big Brother. Our main objective is to make certain that the SAARC Summit comes up with the desired outcomes. If you have the kind of environment, political environment and security environment, which prevails today, we genuinely

believe that the desired outcomes are not possible. So, we should wait until the time is propitious to have such a very important and significant Summit.

* * * *

Question : You said you have requested for fresh dates for the summit. Did you specify those dates and what would have to happen in Nepal and Bangladesh for you to accept ...

Foreign Secretary : We have not indicated from our own side fresh dates, but we have conveyed to our Bangladesh colleagues as well as to our Pakistani colleagues who are the current Chairman, that fresh dates should emerge through a process of mutual consultations as it always does in the past.

Question : What will have to happen in Nepal and Bangladesh...

Foreign Secretary : I do not think I want to speculate about what is the kind of evolution, which we will be looking at or benchmarks, which we will be looking at. We have pointed out the reasons why we have taken this decision. Obviously we would be looking for amelioration of the situation or an improvement of the situation, which would dispel some of the concerns that we are expressing today.

Question : What are the specific threats directed at our Prime Minister that made you take this decision? All other Heads of States and Governments are going. So, is it because there was a specific threat to the security of the Prime Minister?

Foreign Secretary : Obviously, a certain security assessment has had to be made in the light of the most recent developments including the three bomb blasts, which took place in Dhaka yesterday, and including at the high security zone where the Sheraton hotel is located. Every country would make its own assessment with regard to the security situation. We will not speak on their behalf. Our responsibility is with regard to the safety and security of our leaders. In the light of the assessment that we have received, we believe that the time is not propitious for holding such a summit.

Question : *My question to you is that this is only India's assessment, no other country has come up with similar assessment; Would India not isolated*

in this way? If you look into the future, is it in India's strategic and fundamental diplomatic interest?

Foreign Secretary : *This is our assessment. We have communicated our assessment to other of our neighbouring countries also. As I told you our External Affairs Minister has spoken to the Bhutanese King, he also Spoke to the Sri Lankan Foreign Minister. We have shared our assessment with them. That no one is in agreement with us or we shall be isolated, is not relevant. India has to make her own assessment and take her own decision. What is our independent assessment we have shared with our other neighbours. We have told you our decision. Why we took this decision is also quite clear. I do not think there is any danger of being isolated.*

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Question : Do not you think that India-Bangladesh relations in any case are not at their best point, and this kind of decision could be seen as a unilateral one or India taking the lead in not getting the SAARC Summit to go ahead. Would it not affect India-Bangladesh relations?

Foreign Secretary : We have set out very clearly the reasons why we have taken this decision. It is not directed against this or that country. It is the result of an assessment of the situation which prevails in the neighbourhood. Nobody can deny that there is a serious situation which is prevailing in the neighbourhood. What has happened in Nepal is not an ordinary event. What has been taking place in Bangladesh is not something ordinary. If there is a continuing pattern of violence which, just on the eve of the Summit, seems to have been intensifying, these are objective facts. These are not something that we have manufactured ourselves. So, we have come to a certain decision based on assessment of objective reality in our neighbourhood. I do not think anybody can really fault us on that assessment.

Question : Was it not being speculated even before Nepal happened?

Foreign Secretary : We are not responsible for any speculation.

Question : You spoke of benchmarks. Is one of the benchmarks going to be ...

Foreign Secretary : I did not speak about the benchmarks. I said that we have pointed out that there is a certain situation, a grave situation, which has come about in our neighbourhood which is why we have taken such a decision. It is the amelioration or alleviation of this situation which would lead us to fresh ...

Question : If we spell it out in our terms it would mean a return to democracy in Nepal. Right?

Foreign Secretary : I do not want to speculate upon what it will take in order for us to agree to fresh dates. As I said, this is something which has always been decided in mutual consultation with all the SAARC countries and that is especially the process that we have commended to Bangladesh, to engage in diplomatic consultation and we could come up with fresh dates.

Question : *Just before the SAARC Summit Musharraf came under attack, and yet India decided to go to the SAARC Summit. Do you think that the situation in Bangladesh is worst than what was in Pakistan then?*

Foreign Secretary : *I have not come here to compare the situation in Bangladesh with that of Pakistan. I have told you in unmistakable terms our assessment, assessment in terms of security and political assessment. Our decision has been taken on that basis. It think it would not be fair to compare that with Pakistan or with Nepal or with any other country.*

Question : Mr. Saran, would it be right if one were to deduce that this decision has been mainly made, there are other factors, because of India's unwillingness to share the same stage with the King at this juncture? Would it be right to deduce that?

Foreign Secretary : What we have said today has nothing to do with personalities. What we have expressed concern about is a very serious situation which has developed in Nepal. As I have pointed out to you that even as I speak there are virtually no communications. There is virtually no way in which we are able to engage the Government of Nepal in even making a proper assessment of what is happening. So, I do not think that our decision should be projected in terms of our willingness or unwillingness to share the platform with this or that leader. We have gone to SAARC summits in the past and shared the platform with various leaders of different

political persuasions. I do not think that should be taken as the reason for our decision.

{The text in italics is the unofficial translation from Hindi text.}



086. Statement by Prime Minister Dr. Manmohan Singh before his departure for the 13th SAARC Summit.

New Delhi, November 11, 2005.

I leave today for the 13th SAARC Summit in Dhaka.

This Summit will provide an opportunity to focus regional attention on a number of important initiatives that are being pursued by SAARC. We will be considering the various programmes and projects decided upon in the ministerial meetings in areas such as trade, environment, information, health and energy. There will be a special focus on collective approaches towards poverty alleviation and we hope to discuss in detail the SAARC Development Goals formulated for the region. Another important initiative that will be taken up at the Summit will be ways and means of cooperating in the area of disaster preparedness and mitigation.

It is hoped that these initiatives¹ would contribute significantly towards

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1. On November 8 the Official Spokesperson giving an indication of the agenda at Dhaka told the media "since poverty alleviation has been identified as the overarching goal of SAARC, the Summit is expected to declare the decade from 2006 to 2015 as the SAARC Decade of Poverty Alleviation. In this regard, the Summit would be endorsing the SAARC Development Goals (SDGs), as recommended by the Independent South Asian Commission on Poverty Alleviation (ISACPA), for implementation of the SAARC Social Charter by the member states." Saying that "India has been keenly advocating identification and implementation of regional collaborative projects for South Asia" the Spokesman said "The Summit would be recommending reconstitution of the South Asian Development Fund (SADF) by merging existing and proposed funds into a SAARC Development Fund (SDF) with three windows of: (1) Social (2) Economic and (3) Infrastructure, to fund regional projects. This new fund shall utilize India's pledged money of US\$100 million as a part of its initial corpus of US\$300 million." Taking cognizance of the social challenges of the region, Navtej Sarna, the Spokesperson indicated that the "Summit is expected to direct a mid-term review of the progress in realizing the objectives of the SAARC Decade on the Rights of the Child (2001-2010), to be undertaken in 2006." Speaking of the natural disasters that had hit SAARC region recently and in view of the colossal and tragic loss of life and property Sarna said "the Summit would be underscoring

realising the enormous potential for economic, social and cultural cooperation among the member-states of SAARC.

While in Dhaka, I will take the opportunity of bilateral meetings with other SAARC leaders, besides interacting with our hosts. I look forward to having these discussions in a spirit of friendship, cooperation and good-neighbourliness.



087. Statement by Prime Minister Dr. Manmohan Singh at the 13th SAARC Summit.

Dhaka, November 12, 2005.

Let me begin by extending our sincere congratulations to the Prime Minister of Bangladesh, Her Excellency Begum Khaleda Zia on her election as Chairperson of SAARC. I also express my heartfelt appreciation to the Government and people of Bangladesh for the excellent arrangements made for this truly historic Summit. We have been overwhelmed by the warm and friendly hospitality extended to us since our arrival in Dhaka.

I would also like to take this opportunity to express our sincere appreciation to the immediate past Chair, Pakistan, for the unfailing

the need for putting in place a Regional Response Mechanism regarding Disaster Preparedness, Emergency Relief and Rehabilitation. The forthcoming meeting of the SAARC Environment Ministers is expected to provide important directives in this regard. Recognising the need for collaborative action in the area of environment, the year 2007 has been declared as the 'Year of Green South Asia'. The year 2006 would be launched as 'South Asia Tourism Year'. Recognising the need to strengthen cooperation in fighting the scourge of terrorism, the Summit would stress the need for ratification of the Additional Protocol to the SAARC Convention on Suppression of Terrorism, and call for an early conclusion of a Comprehensive Convention on International Terrorism. The Spokesman gave further indication that the Summit would be "deliberating upon the decision to admit Afghanistan as a new member of SAARC. India would be happy to support Afghanistan's bid. The decision on this issue would have to be taken by a consensus of all member states." On the completion of two decades of SAARC, the Spokesman said, "a decision is expected to be taken about formulating a new vision document. India feels that the vision document prepared by the Group of Eminent Persons is still relevant. India would be tabling a number of new proposals with a view to usher in the third decade of SAARC with renewed vigour and enthusiasm and to augment cooperation in the sectors of education, textiles & handicrafts, civil aviation, healthcare and sports."

commitment and zeal with which it has pursued the revival of the SAARC process.

Our region has seen intense suffering caused by major natural disasters this year. Sri Lanka, Maldives and India were the victims of the Tsunami in the early part of the year and now Pakistan and India have suffered from a major earthquake, which has wiped out entire towns and villages. We grieve for our citizens and fellow South Asians who lost their lives, and resolve to continue to help others affected, rebuild their lives.

These disasters once again remind us of the need for forging even closer ties to enable us to pool our collective resources and wisdom to deal with such calamities. This Summit should evolve effective regional mechanisms for effective and timely cooperation in disaster relief as well as management. We have extended modest help to our neighbours in a spirit of solidarity, and we are prepared to do more. We are glad that India's offer to host the SAARC Centre for Disaster Preparedness has been accepted.

Disaster management is an issue whose urgency compels us to address it with seriousness of purpose that it deserves. The possibilities for meaningful cooperation range from early warning systems to provision of relief and reconstruction. It is incumbent on us to do more in this area, drawing on existing experience in South Asia. For instance, I understand Bangladesh has developed innovative approaches for reducing the impact of disasters through community involvement in planning and risk management. The use of micro-credit both for pre-disaster risk reduction and for post-disaster reconstruction and rehabilitation are cited as global best practices that are worthy of replication in other countries of South Asia.

SAARC is entering the 20th year of its existence. It was in this very historic city that we began our journey towards a shared goal of collective prosperity. The vision of President Zia-ur-Rahman helped move forward the idea of SAARC and it is only appropriate that we honour his memory at this Summit with the first SAARC Award. May his spirit continue to guide SAARC process to its ultimate destination.

At this point in SAARC's journey, it is fair to ask whether, in these 20 years, we have done justice to that initial blueprint for regional cooperation. The honest answer is that regional economic cooperation in South Asia

has fallen far short of our expectations and the dreams of our founding fathers. It remains far behind the more successful examples in both Asia and other regions of the world. I sincerely hope that SAFTA comes into force by January 1, 2006, but even this will represent only a modest beginning in terms of our goal for regional economic integration.

It is important that we assess South Asia Regional Cooperation in the larger Asian context. Today, ASEAN is evolving rapidly into a truly integrated economic community. Parallel to this intra-ASEAN integration is the broader movement towards economic integration in the context of the proposed East Asian Economic Summit. We are clearly witnessing nothing short of an Asian resurgence based upon the rebuilding of the pre-colonial arteries of trade and commerce that created a distinct Asian identity in the first place. My question is - is SAARC prepared to be an integral part of this emerging Asian resurgence, or is it content to remain marginalized at the periphery? If our region wishes to be a part of the dynamic Asia, which is emerging in our neighbourhood, then we must act and act speedily and without any further loss of time.

It is our location at the crossroads of Asia that gave our sub-continent its unique civilisational attributes – the assimilative traditions in our culture, the adaptability of our people and a boundless creativity that arises from a constant interplay of new ideas.

If SAARC as a region has to recapture its role as a crossroads of culture and commerce, how much more necessary is it for us to remove the barriers to the free flow of goods, of peoples and ideas within our own region. We cannot be the crossroads of Asia, but remain disconnected within our own region. Without the latter, the former is not possible, or at least, will be possible to a very limited extent. Ancient roads crisscross the subcontinent, and the link-up with the seaports that were the gateways to the rest of the world. Our rivers form the waterways over which people and cargo traveled across the region. This historic connectivity within the sub-continent became overlaid in the colonial period with modern railroads and macadam highways; ancient seaports on our coast became a part of the new web of shipping links, the new channels of colonial commerce. Colonialism did produce wealth in our region, though it was not wealth for our people but plunder for the imperial system.

If we wish the next twenty years of SAARC to be different, we should

take the first decision to reconnect the countries of the subcontinent on the one hand and then reconnect the subcontinent to the larger Asian neighbourhood on the other. We need to recharge and regenerate the arteries of transport and communication that bind us together and in turn link our region to the rest of Asia to reclaim the prosperity that is undoubtedly our due. In pursuit of this vision, I suggest let us agree, at this Summit, that all South Asian countries would provide to each other, reciprocally, transit facilities to third countries, not only connecting one another, but also connecting to the larger Asian neighbourhood, in the Gulf, Central Asia and in the South-East Asia. India, which borders each of the members of the South Asia, is willing to do so.

In this context, I am happy to announce that India offers to hold a South Asian Car Rally. This would be a run-up to our next Summit. It would symbolise vividly our regional identity and also draw attention to the urgent need to improve our SAARC transport infrastructure.

We should also improve air connectivity amongst ourselves. India is prepared to offer to all SAARC neighbours, on a reciprocal basis and without prejudice to existing rights, the facility of daily air services by designated airlines, to our metropolitan cities Delhi, Mumbai, Chennai, Bangalore, Hyderabad and Kolkata, and as many services as they may wish, to eighteen other destinations all across India. I would also like to offer to the designated airlines of SAARC countries the facility to exercise fifth freedom rights, both intermediate and beyond, within the SAARC region, on a reciprocal basis. We should encourage more air services and for this it may be worthwhile to provide, in our air agreements, multiple destinations of airlines.

More liberal movement of peoples and goods across our borders also requires greater sensitivity on the part of all member countries to pressing concerns. No member country should allow its territory to be used against the interests of another member country. There should be zero tolerance for cross-border terrorism and for the harbouring of hostile insurgent groups and criminal elements. It is only in an environment of mutual confidence and a collective commitment against the scourge of terrorism, that we can register the progress we all desire in more intense interaction.

The people of our subcontinent are at the cutting edge of scientific

and technological research and in the front ranks of the knowledge society across the world. Wherever an enabling environment and world class facilities are made available to our talented people, they excel. My suggestion to you is, why cannot we as seven member countries, pool our resources to create a center of excellence, in the form of a South Asian University, which can provide world class facilities and professional faculty to students and researchers from every country of our region? Let this become a forum where our academicians, our scholars, our researchers and gifted students, can work together in the service of human advancement. India is willing to make a major contribution to the realization of this project over the next three to four years. We can certainly host this institution, but are equally prepared to cooperate in creating a suitable venue in any other member country.

I would like to propose for our collective consideration one other collaborative project. Food security is a major challenge for all countries of South Asia. I would recommend that we establish a Regional Food Bank, to which all member countries would contribute, to be used to meet shortages and losses caused by natural calamities in any one of our member countries. There could be a network of storage depots across the region, with member countries contributing shares on the basis of their capacity and availability of surpluses.

Similarly, energy security is increasingly one of the major challenges facing our region, particularly as our individual economies expand. We could therefore consider promoting regional co-operation in strategizing for the future. I propose a South Asian Energy Dialogue, involving experts, academics, environmentalists, officials and NGOs, to recommend measures to tap this vast, latent potential for co-operation.

I would like to mention here some other recommendations that have been put forward by India. A year ago, India offered to contribute US \$100 million towards the creation of a Poverty Alleviation Fund on the understanding that this money would be used entirely on projects within SAARC, but outside India. We regret to note that not one project proposal has been received by us in the past year. We welcome the decision to merge the different existing and proposed funds into an Umbrella South Asian Development Fund, with different windows for different purposes.

We have also taken an initiative to develop projects for increasing

awareness on HIV/AIDS and Tuberculosis, and developing medical skills and competence in the region for tackling these scourges. Here again, we have not made much progress. I suggest establishing a collaborative healthcare project involving a regional Tele-medicine network. We would be happy to share our expertise in this field, by installing such a facility linking all SAARC countries.

Our association has before it the Report of the Group of Eminent Persons, who set out a road map for the creation of a South Asian Economic Union by the year 2020. I have referred to the fundamental decisions that we need to take in order to advance towards this goal. At the July Ministerial meeting we had recommended the establishment of a SAARC High Economic Council, which could promote initiatives in economic, trade, finance and monetary areas with a view to moving towards precisely such regional economic integration.

South Asia possesses a very rich and living tradition of exquisite handicrafts and textiles. Each member country has its own unique culture and distinctive craft traditions. India would be happy to preserve and foster this valuable legacy by establishing a "SAARC Museum of Textiles and Handicrafts". This Museum could sponsor training of crafts persons, foster design skills, hold promotional events such as fashion-shows and demonstrations by artisans of the region and also undertake research. We could also explore the setting up of retail outlets in each of our capitals to promote our textiles and handicrafts region-wise.

Let me conclude by assuring you of India's unswerving commitment of India to the realization of the solemn goals of our Association, an association to whose formulation your Late husband played such a glorious role. As SAARC, we must resolve to become a part of ongoing transformations now underway in all parts of the world. The challenges we face as a region and as members of the larger international community are no longer susceptible to purely national solutions. There is an imperative need to change and overcome the divisions of history and politics to forge a new architecture of mutually beneficial economic partnership. India, for its part, remains ready for this endeavour.



088. Speech by Prime Minister Dr. Manmohan Singh at the banquet hosted by Prime Minister of Bangladesh.

Dhaka, November 12, 2005.

On behalf of the assembled guests, I thank you Madam Chairperson, for your gracious hospitality. Our Association gathers together in Dhaka for the third time in its twenty year history, and we deeply appreciate the traditional warmth of your welcome. Gaining from the experiences and insights of the past two decades, we stand today at the threshold of a new era of more inclusive and more collaborative interaction within SAARC.

South Asia is characterised by an astonishing diversity. Our region is home not only to one-fourth of humanity, but also to some of the greatest linguistic, cultural, literary and civilisational traditions of the world. None of these developed in isolation. Each country's cultural heritage has nourished and enriched the others. This common intellectual legacy enjoins us to come together to bring peace, prosperity and cooperation to our region.

Madam Chairperson, Your Majesty, Excellencies,

It is true that globalisation has created a wealth of new opportunities. But it has also thrown up unprecedented challenges, which none of us can face alone. It is only by harnessing the immense power of regionalism that we can collectively meet these challenges while simultaneously fully utilizing opportunities to our collective advantage. Let us resolve today to seize the opening that history has presented us to realize the dreams we have nurtured for decades, and to work tirelessly for a new dawn of hope and optimism in our region.

Indeed, growing avenues for people-to-people contact have created an atmosphere of increasing optimism and trust. Our South Asian creative community, which shares cultural and intellectual affinities, has taken the lead in this regard. They have transcended political boundaries, using the power of ideas to bring our peoples together. Only a new vision and a new mindset can create new pathways of cooperation and the hope of a better tomorrow.

Madam Chairperson, Your Majesty, Excellencies,

South Asia is like no other place in the world; its challenges are

unique and distinctive. The SAARC process is instrumental in addressing and resolving these distinctively South Asian issues. If we truly believe in a shared destiny, then we must work together to address our common challenges. Terrorism is one such challenge. Although it is a global scourge, it affects our region significantly. Let us recall that as early as 1987, we concluded an agreement for Suppression of Terrorism. The Additional Protocol to the SAARC Convention on Suppression of Terrorism, signed at the 12th Summit, reaffirms our commitment to collectively fight this menace. Today, let us renew our resolve to cooperate at all levels to comprehensively eradicate terrorism from our region.

Madam Chairperson, Your Majesty, Excellencies,

If South Asia is to harness its undoubted latent potential, it must become a dynamic component of the larger Asian resurgence. While regional entities like ASEAN forge ahead, and regional cooperation becomes part of the political and economic landscape all around us, we continue to lag behind. And yet we are uniquely poised, at the center of this dynamic economic region. Therefore we must take full advantage of the opportunities emerging around our region.

Next year, India will have the privilege of hosting the 14th SAARC Summit. We look forward to welcoming you in India soon. We hope to use the intervening period to build upon the achievements of this Summit, and our common commitment to the SAARC process, to realize our many goals. Development of our Asian region is of the highest priority for us. We therefore see SAARC as an equal partnership and the vehicle to achieve progress and prosperity in our region.

Your Majesty, Excellencies, Ladies and Gentlemen,

I conclude by conveying to our host, Her Excellency Begum Khaleda Zia, Prime Minister of the People's Republic of Bangladesh, and to the people of Bangladesh, our sincere gratitude for their overwhelming hospitality. May the outcome of this Summit bring our peoples closer than ever before!



089. Speech by Prime Minister Dr. Manmohan Singh at the concluding session of 13th SAARC Summit.

Dhaka, November 13, 2005.

On behalf of all of us gathered here today, I have the honour to convey our appreciation to the Prime Minister of Bangladesh, Her Excellency Begum Khaleda Zia, for her leadership in chairing this Thirteenth Summit of SAARC, and for her thought provoking concluding Address.

The SAARC process has gained from her vision and statesmanship.

Our sincere thanks are also due to the Government of Bangladesh, to the people of this city, and all others who have taken great pains to ensure the success of this Summit, while making our stay in this historic city memorable.

I would also like to thank my colleagues, the leaders of the SAARC member states, whose shared vision of regional cooperation, and common desire for mutually beneficial progress and prosperity, has brought us together on the SAARC platform. In addition, I would like to acknowledge the contribution of our Ministers and officials, whose untiring efforts have brought us closer to achieving the goals we have set for ourselves in SAARC. And I also wish to thank the outgoing Secretary General of SAARC, Mr. Q.A.M.A Rahim for all his contributions.

We welcome his able successor, Mr. Chenkyab Dorji, whose work during this Summit has been praise-worthy. The Secretary General and his team in the Secretariat are truly the backbone of SAARC.

Your Majesty, Excellencies, Ladies and Gentlemen,

I believe that we can look back on the past few days with a sense of satisfaction at our achievements. I think it will be fair to say that this Summit will be remembered for several substantive outcomes that have emerged in Dhaka.

We are delighted to welcome Afghanistan to our group. This is an appropriate recognition of the long-standing ties of culture and history that Afghanistan shares with us. We have also noted the interest of the People's Republic of China and Japan to become Observers in SAARC. We are happy to note that the SAARC Council of Ministers will finalize the guidelines

and modalities for such status at the earliest.

In terms of the agenda that we have set ourselves, we have also recorded satisfactory progress at this Summit.

We have signed three Agreements a short while ago, covering avoidance of Double Taxation, on Customs, and on the establishment of a SAARC Arbitration Council. We have also agreed to a liberalization of the visa regime, so as to facilitate freer travel among all our people, including our media persons. On the other hand, I would like to underline that we must expedite the process of resolving the few outstanding issues that separate us from final agreement on SAFTA. It must be our collective effort to ensure that this Agreement enters into force on January 1, 2006.

Your Majesty, Excellencies, Ladies and Gentlemen,

The Declaration we have adopted is a forward-looking document that will add new vigour to the SAARC process. A number of very substantive proposals are included in this document. These include some that the Government of India has been pleased to offer, with the aim of bringing about greater interaction between our people, and greater integration of our region. These include our offer, on a reciprocal basis, to greatly expand airline connectivity within our region. We have planned several measures to develop our most valuable asset, our human resources. These include establishing a South Asian University, by integrating elements in our Social Charter, and creating a collaborative healthcare project involving a regional telemedicine network. We hope these and other similar measures will enable us to take one further step in the eventual abolition of the age old scourges of poverty and ignorance. We have also agreed to find new ways of cooperating in exploiting the opportunities of the future, ranging from information and communication technology to evolving a collective energy strategy.

It is my firm belief that through our collective efforts, our region can, and will, overcome the multiple challenges of poverty, ignorance and disease that constrain our peoples. India has the privilege of hosting the Fourteenth SAARC Summit. It will be our sincere endeavour to work with you all to carry forward the SAARC agenda and build on all that we have achieved in Dhaka. We look forward to welcoming you all to India.



090. Dhaka Declaration issued at the 13th SAARC Summit.**Dhaka, November 13, 2005.**

The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia; the Prime Minister of the Kingdom of Bhutan, His Excellency Lyonpo Sangay Ngedup; the Prime Minister of the Republic of India, His Excellency Dr. Manmohan Singh; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the King of Nepal, His Majesty Gyanendra Bir Bikram Shah Dev; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Shaukat Aziz; and, the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Thirteenth Summit meeting of the South Asian Association for Regional Cooperation (SAARC) in Dhaka, Bangladesh on 12 - 13 November 2005.

Regional cooperation

2. The Heads of State or Government noted that the Thirteenth Summit was taking place at an important moment in the evolution of South Asia when SAARC stood at the threshold of a new decade of its existence. They agreed that the Summit provided a unique opportunity to consolidate the gains made in regional cooperation during its first two decades and to chart a forward-looking strategy to promote effective cooperation at all levels to realize the objectives and principles set out in the Charter of the Association.

3. The Heads of State or Government noted that cooperation and partnership within the framework of SAARC is based on the sound foundation of shared values, beliefs and aspirations. The objectives and goals of SAARC, they affirmed, were of continuing relevance and importance to all Member States. The dynamics of recent political and economic changes in South Asia and the world highlighted the importance of, and the compelling logic for, a more vibrant and effective process of constructive regional cooperation. They emphasized their commitment to making such cooperation an enduring feature and thus contribute to the region's peace, progress and stability.

4. The Heads of State or Government noted that SAARC has evolved in a positive direction during the first two decades of its existence and that its agenda encompassed concerns and areas vital for the fulfillment of the Charter objectives of promoting the welfare of the peoples of South Asia,

accelerating economic growth, social progress, cultural development and strengthening collective self-reliance among the countries of South Asia. They stressed that realization of these objectives not only called for continued and serious result-oriented efforts but also for consistent endeavours to translate pledges and commitments into concrete actions, regional initiatives and projects. They reiterated their commitment to making SAARC an effective instrument for cooperation, which will visibly improve the quality of life of millions in South Asia.

5. The Heads of State or Government emphasized that efforts must continue to free South Asia from poverty, hunger and other forms of deprivation and social injustice which present a daunting challenge. Member States expressed determination to work towards significantly accelerating regional cooperation in economic areas. The main emphasis will be to secure a wider economic space, so that benefits and opportunities offered therein can be shared by all, and that the true economic potential of South Asia can be fully realized. Efforts will be made to create dynamic complementarities in the development of human resources and capacity of Member States to address their common challenges. They underlined the need to accelerate regional cooperation through all possible means and mechanisms, including exchange of best practices in various fields in the Member States.

6. The Heads of State or Government reiterated that the peoples of South Asia are the real source of strength and driving force for SAARC and resolved to make regional cooperation more responsive to their hopes and aspirations. They agreed that the Association should broaden its engagement with the civil society organizations, professional groups, and entrepreneurs. Member States should also strive to promote and assert their South Asian identity, encourage greater people-to-people contact and draw strength from their shared cultural heritage.

7. The Heads of State or Government emphasized the importance of initiating project cooperation under the SAARC auspices. They encouraged Member States to undertake projects, as per existing provisions of the Charter. These projects may pertain to economic and social sectors, including Human Resource Development and Poverty Alleviation. These may be undertaken, where required, with financial or technical assistance, from International Financial Institutions (IFIs) or, UN Funds and Programmes or, any extra-regional State, as appropriate.

Poverty Alleviation

8. The Heads of State or Government decided to declare the decade of 2006-2015 as the SAARC Decade of Poverty Alleviation. During the Decade, endeavours - both at the national and regional level - will continue to be made with a sense of commitment and urgency to free South Asia from poverty.

9. The Heads of State or Government appreciated the valuable work of the Independent South Asian Commission on Poverty Alleviation (ISACPA). They also endorsed the SAARC Development Goals (SDGs), as recommended by the Commission, and called for follow-up and implementation of the Plan of Action on Poverty Alleviation, adopted by the 12th SAARC Summit. They entrusted the ISACPA to continue its advisory and advocacy role in this regard. They endorsed the priorities for action identified in the Report of ISACPA adopted by the Twelfth SAARC Summit. They agreed that these priorities would be duly taken into account while working out the elements for regional initiatives in this vital area. They decided to focus on formulation and implementation of concrete regional programmes and projects as well as forging partnerships among all stakeholders.

10. Underlining the need for an exclusive forum for focused and comprehensive examination of poverty related issues, the Heads of State / Government decided to replace the three-tier mechanism on poverty alleviation by a two-tier one, comprising the Ministers and the Secretaries dealing with Poverty Alleviation at the national level.

Funding Mechanisms

11. The Heads of State or Government decided to establish a SAARC Poverty Alleviation Fund (SPAF) with contributions both voluntary and/or, assessed, as may be agreed. They called upon the Finance Ministers to formulate recommendations on the operational modalities of the Fund, taking into consideration the outcome of the Meeting of the Financial Experts. In this regard, they welcomed the offer of Pakistan to host the next meeting of the Finance Ministers. The operational modalities of the SPAF shall be decided by the Finance/ Planning Ministers. They agreed that the SPAF shall function within the SADF to be reconstituted, as SAARC Development Fund (SDF), to serve as the umbrella financial institution for all SAARC

projects and programmes and comprise three Windows namely Social Window, Infrastructure Window and Economic Window with a Permanent Secretariat.

12. The Heads of State or Government decided that Finance Ministers should meet within the first quarter after every Summit and also on the sidelines of the World Bank and ADB annual meetings, to take stock of macro-economic developments and outlook for South Asia, achievement of SAARC Development Goals as co-related to Millennium Development Goals (MDGs) and to assess the investment climate, foreign capital inflows, financial sector reforms and other areas of cooperation.

Advancing Economic Cooperation

13. The Heads of State or Government stressed that accelerating cooperation in the core economic areas was of vital importance for the realization of Charter objectives and also for making South Asia truly vibrant, dynamic and secure in its robust progress. They reaffirmed their commitment to accelerate cooperation in the economic and commercial fields, especially in the energy sector. They noted the progress in the negotiations on outstanding issues and directed early finalization of all the Annexes ensuring entry into force of the SAFTA Agreement as agreed, with effect from 1 January 2006.

14. The Heads of State or Government stressed the importance of the entry into force of the SAFTA Agreement on the scheduled date i.e. 1 January 2006. The launching of SAFTA would mark an important milestone on the road to a South Asian Economic Union. They directed that the negotiations on the outstanding issues under the Agreement should be completed by end November 2005. They further directed that the necessary national procedures should be completed in time to facilitate the operationalisation of the Agreement.

15. They reiterated the need to strengthen transportation and communication links across the region for accelerated and balanced economic growth. They directed further measures aimed at trade liberalisation, as provided for in the SAFTA Agreement. They noted with satisfaction the ongoing SAARC Regional Multimodal Transport Study to enhance transport connectivity among the Member States. The Heads of State or Government agreed to undertake trade facilitation measures,

including transit among SAARC countries, on the basis of understanding among concerned countries, for enhancing intra-regional trade and other economic activities. They noted the Indian proposal in this regard. They agreed to study the proposal by India for daily air service facility by designated airlines, on a reciprocal basis and without prejudice to existing rights, to all the SAARC Member States and also the proposal to extend fifth freedom rights to designated airlines from the Member States, both intermediate and beyond, within the SAARC region on a reciprocal basis.

16. The Heads of State or Government recognized the need to take the process of regional economic integration further by expanding the scope of SAFTA to include trade in services, enhanced investment and harmonized standards.

17. The Heads of State or Government welcomed the signing of the following Agreements during the thirteenth SAARC Summit: - The Agreement on Mutual Administrative Assistance in Customs Matters- The Agreement on the Establishment of SAARC Arbitration Council- The Limited Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters

18. They emphasized the need for parallel initiatives for dismantling of non-tariff and para-tariff barriers. In this context, they called for expeditious action on conclusion of agreements on mutual recognition of standards, testing and measurements with a view to facilitating intra-regional trade. They recognized the potential of trade in services which have expanded rapidly at the informal level. They called for a study to see how services could be integrated into the SAFTA process.

19. The Heads of State or Government decided to encourage, where appropriate, trade-creating investment in the Member States. They stressed the need for closer regional cooperation in the field of Information and Communication Technologies (ICT), including Tele-communications.

20. The Heads of State or Government welcomed the Joint Statement of the First SAARC Energy Ministers meeting in October 2005 in Islamabad. They agreed to the recommendation to establish the SAARC Energy Centre in Islamabad; to promote development of energy resources, including hydropower; and energy trade in the region; to develop renewable and alternative energy resources; and promote energy efficiency and

conservation in the region. They underlined the need to constitute a South Asian Energy Dialogue process, involving officials, experts, academics, environmentalists and NGOs, to recommend measures to tap potentials of cooperation in energy sector to provide inputs to the Working Group on Energy.

21. The Heads of State or Government noted the proposal for the establishment of a Regional Food Bank proposed by India and agreed to examine the proposal.

22. With regard to paragraph 15 of the Council of Ministers Report, the Heads of State or Government noted the offer of Nepal to host the Regional Support Unit.

South Asia's Social Challenges

23. The Heads of State or Government reiterated their commitment to take initiatives at national as well as regional levels for achieving the specific objectives contained in the SAARC Social Charter. They recognized that realization of these objectives is crucial to enable SAARC to meet the hopes and aspirations of the common peoples of South Asia and visibly improve the quality of their lives. They emphasized that in outlining future actions in this regard national implementation efforts should be complemented by regional programmes and projects in areas requiring collective regional response. They appreciated the establishment of National Coordination Committees (NCCs) in all Member States, decided on annual meetings of the Heads of NCCs and directed convening of their first meeting at the earliest for follow-up and implementation of the Social Charter. In this regard, they noted the proposal from the Maldives to convene an experts' group meeting on establishing a Civil Society Resource Centre.

24. The Heads of State or Government called upon the Member States to expeditiously complete the process of preparing their national strategy and plan of action. They also emphasized that national implementation efforts should be complemented by regional projects and programmes. In this context, they directed that regional projects, particularly in health and poverty alleviation, should be initiated.

25. The Heads of State or Government reiterated their pledge to continue to work in the next decade and beyond to address the formidable challenges

faced by women and children, especially the girl child. They noted that sustained efforts were needed on the part of the Member States not only to free them from all types of deprivation but also to make them full partners and beneficiaries of South Asian progress and development. In this context, they decided that a mid-term review of the progress in realizing the objectives of SAARC Decade on the Rights of the Child (2001 - 2010) should be undertaken in 2006.

26. The Heads of State or Government affirmed their strong resolve to continue to work together to address the problem posed by trafficking in women and children. They expressed satisfaction at the ratification of the SAARC Conventions relating to Trafficking in Women and Children and Promotion of Child Welfare by all Member States and called for effective measures for their early implementation. They noted that the civil society organizations and the media have an important role to play in raising awareness of the degrading and inhuman treatment faced by the victims of trafficking. They encouraged them to continue their constructive role in this regard. They stressed that law enforcement agencies in the Member States should also coordinate and strengthen their efforts to address this problem effectively.

27. The Heads of State or Government noted the achievements of the Member States during recent years in the area of primary education through sustained efforts and adoption of country specific innovative approaches. They recognized that regional initiatives in this particular area might focus on sharing of experiences and best practices. They also called for optimal utilization of resources and identification of strategic interventions in the area of training, management and performance evaluation of these programmes so as to ensure sustainability, coverage and quality of education imparted and services provided. They stressed that freeing South Asia from the scourge of illiteracy is a major objective of SAARC in the third decade of its activities. They called for effective measures to realize the SDGs, in particular universal primary education in the context of pursuing the Millennium Development Goals.

28. The Heads of State or Government stressed that to meet the challenges of the twenty-first century Member States must make important strides in the areas of science, technology and higher education. They decided to give priority attention to encourage regional cooperation in these

areas to derive benefits from the synergy of collective, well-planned and focused initiatives undertaken by Member States. They directed that a SAARC Plan of Action for Science, ICT and Technology be elaborated for consideration during a Meeting of SAARC Science, ICT and Technology Ministers to be convened as soon as possible. They noted the offer of India to establish a South Asian University and agreed to examine this matter further.

29. The Heads of State or Government recognized the need to collaborate on preparedness for addressing health emergencies, including prevention and control of pandemics like avian influenza, as these pose a major global threat with impact on health, trade and tourism involving human mobility. They emphasized on the need to develop a regional strategy for such emergencies as soon as possible; and identify and strengthen collaboration within and beyond the region and establish links with other regional organizations. They called for early establishment of a SAARC Health Surveillance Centre and a Rapid Deployment Health Response System, to deal with emerging and re-emerging diseases.

30. The Heads of State or Government welcomed the preparation of a strategy for collective SAARC response to prevent the spread of HIV/AIDS. They noted that regional response in this regard should be further enhanced to eliminate this dreadful disease from South Asia. In this regard, they emphasized the importance of early implementation of the Regional Strategy of HIV/AIDS. At the same time, they underscored the need for increasing cooperation to develop regional strategies for the prevention and treatment of Dengue, Malaria and other infectious or communicable diseases constituting major public health concerns.

31. The Heads of State or Government agreed to launch a regional initiative with regard to basic healthcare services and sanitation in the rural areas and encouraged exchange of experience and best practices within the region. They called for expediting elaboration of a SAARC Plan of Action for cooperation in medical expertise and pharmaceuticals, as well as traditional medicine, and availing affordable pharmaceuticals produced in the region, harmonization of standards and certification procedures and production of affordable medicines. They also agreed that steps should be taken to promote traditional medicine and to protect the intellectual property rights related to them as a matter of regional priority.

South Asia's Environmental Challenges and Natural Disasters

32. They further decided to consider the modalities for having a Regional Environment Treaty in furthering environmental cooperation among the SAARC Member States. They expressed deep concern at the continuing degradation of environment and reaffirmed the importance of concerted action in the protection and preservation of environment. While expressing satisfaction at the progress in implementation of the SAARC Environment Action Plan, the Leaders welcomed the decision of the Council of Ministers to establish a SAARC Forestry Centre in Bhutan. They emphasized on the need for the Centre to have a coordinating role in the field of Forestry for exchange of information, expertise, training and formulation of regional projects with emphasis on social forestry.

33. The Heads of State or Government welcomed the Declaration of the Special Session of the SAARC Environment Ministers in Male in June 2005 convened in the wake of the tsunami catastrophe. They endorsed the recommendation for elaboration of regional programmes and projects for early warning, preparedness and management of tsunami and other natural disasters. They called for elaboration of a Comprehensive Framework on Early Warning and Disaster Management.

34. They endorsed the decision of the Special Session of the SAARC Environment Ministers to further enhance the capacity of the existing SAARC Institutions namely, SAARC Meteorological Research Centre and SAARC Coastal Zone Management Centre, to carry out their mandated tasks.

35. In view of the extensive loss of life and colossal damage to property as a result of earthquake and tsunami and other natural disasters in South Asia, the Heads of State or Government underscored the urgency to put in place a permanent regional response mechanism dedicated to disaster preparedness, emergency relief and rehabilitation to ensure immediate response. They directed the concerned national authorities to coordinate their activities in such areas of disaster management as early warning, exchange of information, training and sharing of experiences and best practices in emergency relief efforts.

36. The Heads of State or Government underlined the need for collaborative action in the area of environment, including water conservation, to promote sustainable development. They decided to proclaim the Year

2007 as the "Year of Green South Asia" devoted to a region-wide afforestation campaign. They also agreed to address the problem of arsenic contamination of groundwater and assistance to affected peoples.

Combating Terrorism

37. The Heads of State or Government agreed that terrorism violates the fundamental values of the SAARC Charter and the United Nations, and constitutes one of the most critical threats to international peace and security. The Heads of State or Government expressed their satisfaction at the ratification of the Additional Protocol to the SAARC Convention on Suppression of Terrorism by all Member States and called for putting in place effective mechanisms for its implementation. They strongly condemned terrorist violence in all its forms and manifestations, agreed that terrorism is a challenge to all States and a threat to all of humanity, and cannot be justified on any grounds. They underlined that there should be no double standards in the fight against terrorism. In view of the continuing and recent terrorist attacks in the region and their impact on security, economic stability and social development, they expressed their determination to unite in their efforts in preventing and combating terrorism. They also noted the United Nations Security Council resolution 1373 (2001) in this regard.

38. They called for early and effective implementation of the Additional Protocol to the SAARC Convention on Suppression of Terrorism. They underscored the need for an early conclusion of a Comprehensive Convention on International Terrorism. They also agreed that Member States would strengthen their cooperation in such important areas as exchange of information, coordination and cooperation among their relevant agencies.

39. They decided that SAARC Interior/Home Ministers would meet annually preceded by a meeting of the Interior/Home Secretaries.

40. The Heads of State or Government directed that concrete measures be taken to enforce the provisions of the Regional Convention on Narcotic Drugs and Psychotropic Substances through an appropriate regional mechanism.

Security of small states

41. The Heads of State or Government noted that due to their specific

vulnerabilities, small states require special measures for support from all concerned for safeguarding their sovereignty, independence and territorial integrity. In this context, they stressed that protection of small states should be firmly rooted in scrupulous adherence to the UN Charter, rule of law and the strict adherence to universally accepted principles and norms related to sovereign rights and territorial integrity of all States, irrespective of their size. They committed themselves to give concrete expression to protect the interest and security of all small states through the pursuit of appropriate policies and actions.

People-to-people contact and cultural cooperation

42. The Heads of State or Government noted that the spirit of SAARC needed to be sustained by efforts to promote people-to-people contact and by a vibrant civil society throughout South Asia actively engaged in forging links across national boundaries. They felt that the Association of SAARC Speakers and Parliamentarians should meet at an early date to establish a mechanism for periodic contacts among the Parliamentarians of South Asia. They stressed that continued efforts would be made by the Member States at all levels to promote people-to-people contact by facilitating travel among SAARC countries, promotion of youth exchanges in culture and sports, promotion of intra-SAARC tourism, establishment of linkages among professional bodies and through adoption of other concrete measures. They decided to launch 2006 as "South Asia Tourism Year." They directed their Ministers for Tourism to meet at an early date and elaborate a plan of activities to be undertaken during the year 2006. They also stated that Member States would encourage initiatives by private sector entities in promoting understanding and harmony in the region.

43. The Heads of State or Government recognized the crucial role of culture in bringing the peoples of South Asia closer. They also stressed that cooperation in the area of culture was vital for reinforcing and projecting the distinct identity of South Asia. In this context, they expressed satisfaction on the progress made in establishing the SAARC Cultural Centre in Kandy and underlined the importance of making it operational at the earliest. They also directed the SAARC Ministers of Culture to meet as soon as possible to elaborate a SAARC Agenda for Culture. They noted the offer of India to establish a SAARC Museum of Textiles and Handicrafts inter alia to preserve designs in various crafts and related traditions, train artisans and crafts persons, foster design skills, hold promotional events, undertake research.

International political and economic environment

44. The Heads of State or Government reviewed international political and economic developments since their last Summit in Islamabad. They underscored the imperative need to ensure universal adherence to the principles and objectives enshrined in the UN Charter. They called upon the international community to redouble efforts to meet the commitments of the Millennium Summit and the Monterrey consensus. They noted the outcome of the UN World Summit 2005 and underlined the need for meaningful reforms of the United Nations system in consonance with its role as the central organ for the cooperative management of the global problems and for the promotion of peace, security, development, justice and human rights. They also reiterated their full support for a comprehensive approach, which would facilitate implementation of the Millennium Declaration and the Millennium Development Goals (MDGs) in a time bound manner.

45. The Heads of State or Government stressed that promotion of global peace and security inter alia called for removing the existing asymmetries in security and in ensuring undiminished security for all, at the regional and global levels. They also emphasized the importance of pursuing effectively the global objectives of universal disarmament and preventing the proliferation of weapons of mass destruction.

46. The Heads of State or Government reaffirmed their commitment to further strengthen the multilateral trade regime of WTO. They called upon all WTO members to demonstrate necessary understanding and accommodation for a breakthrough at the Hong Kong Ministerial meeting in December 2005 to pave the way for the successful conclusion of the Doha Development Round. They underscored that the development dimension should continue to be at the heart of the on-going negotiations so that the legitimate concerns of the developing countries are adequately reflected in the outcome of the current round of trade negotiations. They agreed that the SAARC Member States would work closely together to coordinate their positions in the on-going negotiations on trade and other key economic issues. The Heads of State or Government directed the Commerce Ministers to hold consultations on the sidelines of the 6th WTO Ministerial Conference to be held in Hong Kong in December 2005, to evolve a common SAARC Position on issues of common concern.

47.. The Heads of State or Government addressed the question of electing the Secretary-General of the United Nations in the year 2006, being aware of the unanimous view that the well-established principle of geographical rotation should be observed and that an Asian should be appointed as the next Secretary-General of the United Nations. In this regard, they noted that Sri Lanka has offered a candidate.

Enhancing Political Cooperation

48.. The Heads of State or Government welcomed the growing importance being placed by all Member States to promote cooperation in an environment of enduring peace and stability in South Asia. They reiterated their commitment to the principles of sovereign equality, territorial integrity and national independence, non-use of force, non-intervention, and non-interference in the internal affairs of other Member States. Recognizing the increasing interdependence and the imperative of pursuing the objectives of peace, freedom, social justice and economic prosperity, they re-affirmed their resolve to foster mutual understanding, good neighbourly relations and a more meaningful cooperation through sustained constructive engagement among Member States.

External Profile and Linkages of SAARC

49. The Heads of State or Government welcomed the observer status granted to SAARC by the United Nations General Assembly at its Fifty-ninth Session; and expressed the hope that this would not only enhance the profile of SAARC in the world body but would also enable Member States to project common positions of SAARC in various multilateral forums. They also acknowledged the renewed interest of other regional and international organizations, bodies and entities to cooperate with SAARC in various collaborative endeavours in accordance with the objectives and priorities of SAARC. The Heads of State or Government welcomed the request by the Islamic Republic of Afghanistan for membership and invited Afghanistan as a member, subject to the completion of formalities. They also welcomed and agreed in principle with the desire of the People's Republic of China and Japan to be associated as observers. The Council of Ministers will decide the modalities in this regard at their twenty-seventh meeting in July 2006.

Strengthening Institutional Mechanisms of SAARC

50. The Heads of State or Government agreed that with the incremental broadening of the SAARC agenda and increased emphasis being placed on implementation of plans and programmes, there was a need for a commensurate strengthening of institutional capabilities of SAARC. Recognizing the importance of thematic Ministerial meetings, they emphasized that these meetings should focus on regional challenges and priorities and contribute to the realization of the objectives of SAARC. They agreed that on completion of twenty years of SAARC's existence, it was essential that a comprehensive review and reform of all SAARC institutions and mechanisms, including the Secretariat and the Regional Centers should be undertaken. In this context, they called on the Council of Ministers to convene a Meeting of Experts, to be nominated by each Member State, to undertake a detailed Study and present a report to the next Council of Ministers. They empowered the current Chairman of the Council of Ministers to prepare within the next fifteen days a draft Terms of Reference for the Study to be approved, if necessary, by tele-conferencing of all SAARC Foreign Ministers.

SAARC Vision: An agenda for Third Decade of SAARC

51. The Heads of State or Government reiterated their commitment to the realisation of the vision of South Asian Economic Union in a phased and planned manner. They agreed that as SAARC completed its twenty years of its existence, it was an opportune occasion to draw a roadmap for regional cooperation in South Asia for the next decade. In view of the new challenges facing the region, pledges and commitments made in the last two decades should be translated into concrete actions in the form of regional projects and programmes and innovative initiatives.

52. They directed all SAARC institutions and mechanisms to work collectively towards a decade dedicated to implementation so that a visible and discernible impact can be felt across South Asia. They emphasized that while this would enable SAARC to realize its basic objectives of improving the quality of life of all South Asian peoples, it would at the same time create an enabling environment towards the establishment of a South Asian Economic Union. They directed the Standing Committee to formulate its recommendations, at its next Special Session, on a Vision for SAARC's

Third Decade and the course of action for its realization, to be elaborated by a high-level Committee of Senior Officials.

Date and venue of the Fourteenth SAARC Summit

53. The Heads of State or Government welcomed the offer of the Government of India to host the Fourteenth SAARC Summit in 2007.



091. Press conference by Prime Minister Dr. Manmohan Singh at SAARC Summit.

Dhaka, November 13, 2005.

Prime Minister : I have come here soon after the conclusion of the Retreat. This afternoon we have had intensive discussions on issues in our Retreat which will have a bearing on the future of SAARC.

This has been a very productive Summit in terms of the number of proposals that have been put forward. To my mind, this is reflective of at least two features - that there is a shared belief among the SAARC members that SAARC can and should do more. We all feel there is scope for more concrete action in regional cooperation, and its corollary, that not enough has been done. The other salient feature is that that all SAARC member countries are positive about the potential for cooperation, and continue to hope that this will be realized. Speaking for India, we certainly are enthusiastic about SAARC. We have seen how regional cooperation has been an effective force elsewhere and are committed to doing whatever is possible to give impetus to this process in South Asia.

We have made a series of proposals here in Dhaka; some concrete proposals have been agreed. We are glad that SAARC members accepted our proposal to establish a SAARC Centre for Disaster Management and Preparedness in New Delhi. This will draw and build upon capacities that we have created in our National Institute for Disaster Management, which has developed quickly into an effective centre of specialized and practical know-how in this field. As has been unfortunately evident this last year, this is a subject that we cannot neglect.

Discussions on outstanding issues related to SAFTA continue to be under discussion. There will be further negotiations at the level of experts in late November. The intention is for SAFTA to come into effect on the target date of 1st January, 2006.

We have also proposed to our SAARC neighbours an open skies arrangement which will enable a substantial increase in intra-SAARC flights. We hope this will be discussed and agreed in the months to come. The SAARC Car Rally we have proposed, when it happens will surely catalyze a concerted effort to improve road connectivity in SAARC. There are other proposals we have put forth such as a South Asian Energy Dialogue and the case for SAARC Multi-modal connectivity which we feel are compelling and attractive. The concrete modalities for these are still to be developed but they are crucial to our vision of a seamless and strong SAARC and South Asia.

We hope that by the next SAARC Summit which we will host, there will be measurable progress on these and other proposals.

As in customary, I also used the opportunity of the presence here of the leaders of SAARC countries to hold bilateral meetings. You have been briefed about these meetings already. Let me say that we went over all the important issues on the bilateral agenda with our neighbours. It is not always possible to visit individual countries, so an occasion like this is helpful to give momentum to the process of energizing the substantive neighbourly ties that we desire.

I will now take your questions.

Question : Will the SAFTA become operational by January 1, 2006?

Prime Minister : That is what our emphasis is. In my concluding statement I said that every effort must be made to ensure that SAFTA becomes operational from 1st January 2006.

Question (Jyoti Malhotra, Star News) : The Prime Minister of Pakistan has said that there is a trust deficit between India and Pakistan. There is another question. Before you left for Dhaka in Delhi you spoke about failed States in the SAARC region. What States were you referring to and why did you make that comment?

Prime Minister : There is obviously, I think, truth in what the Pakistan Prime Minister has said. There has been a trust deficit. It is our obligation to convert that deficit into a surplus. You all know the January 2004 statement issued after the SAARC Summit in which Pakistan had given this assurance that Pakistan territory will not be used to promote or further terrorism directed against India. There has been some reduction but it is unfortunately our feeling that all that needs to be done has not been done. We have, of course, assurances that the future will be different from the past and we eagerly wait for that outcome. As regards the failed State, I was not referring to any specific State. I was drawing attention to the fact that security challenges in our neighbourhood are becoming more serious and complex and need to be addressed effectively. There are dangers to States, arising out of terrorism, insurgency, economic hardship and ethnic and religious conflicts. We need to work collectively with our neighbours to confront and overcome these threats to our common security.

Question (Abhisar Sharma, NDTV) : Prime Minister, there is a lot of emphasis in your speech on connectivity and it also talked about reciprocity. What do you think could be the biggest hitch in actually taking this forward?

Prime Minister : We all know when we talk of great integration, the transport costs, transaction costs, can become a problem to closer trade integration. So, it is quite obvious that in this region we have to ensure that means of transport and communication do not become a bottleneck to expanding mutually beneficial economic cooperation. We want trade expansion to become a win-win game. Therefore, easier transit rights, access to each other's transportation and communication systems can facilitate that process and that is what I was referring to.

Question (Seema Mustafa, Asian Age) : Last time when you met the Nepal King in Jakarta, he had promised that he will take steps to restore democracy. And this time apparently he has said the same, almost the same, again. Do you feel he is more sincere this time; and do you feel that now Nepal will be moving towards a level of ...

Prime Minister : I was given that assurance that a carefully worked out roadmap will be prepared to usher in the democratic process. That includes the multiparty system which His Majesty recognizes is the core of any democracy.

Question (Amit Baruah, *The Hindu*): Prime Minister, my question relates to Iran and the fact that the Iran issue may go before the International Atomic Energy Agency. When India voted on September 24th, your Government said that you had voted to prevent this issue from going before the United Nations Security Council. If it comes to a vote, there are negotiations going on, how will your Government vote?

Prime Minister : It depends upon what are the issues which are being voted upon. Our hope is that efforts can be made and should be made to evolve a broad based consensus so that there is no need for a vote. But, if it comes to a vote I cannot predict what we will do. It depends upon what are the issues which are the subject matter of voting or no voting.

Question (Amit Baruah, *The Hindu* : Prime Minister, if I may ask you another question on the Indo-US nuclear deal. On the 29th of July you told Parliament that India would work towards lifting all curbs against it before we separate our civil and nuclear military facilities. We have seen statements from the United States that they expect India to separate the civil and military nuclear facilities first before these curbs can be lifted. Can you tell us the status of that thing?

Prime Minister : I stand by what I said in Parliament. People do make statements directed at specific audiences. We should not get too worked up. Whatever I stated, whatever I assured in our Parliament, that is our position.

Question (Sengupta, *India Abroad and Rediff.Com*) : I was wondering about Afghanistan. Should we look forward to Afghanistan joining SAARC at the next Summit?

Prime Minister : Yes, we have agreed to admit Afghanistan as a new member of SAARC. We have also welcomed the interest shown by China and Japan to get an Observer's status. This matter will be sorted out in the next few months. So, obviously SAARC is generating influence outside our region with the fact that Japan as well as China have shown interest. Afghanistan, of course, is very much a part of our region. The close cultural, civilisational ties that the countries of South Asia have with Afghanistan make it an eminently suitable candidate for membership and we have endorsed that today.

Question (Bharat Bhushan *The Telegraph*) : Sir, why have you decided

not to go to Malta for CHOGM? Is it for domestic or international reasons?

Prime Minister : Parliament is meeting and I cannot be away while several important issues will be debated in Parliament. I thought the attention to those tasks is far more important than going to this Commonwealth Summit.

Question (Seema Guha, *Daily News and Analysis*) : We are having quite a lot of problems with Bangladesh. Now your meeting with the Prime Minister, has it led to anything, lessening of tension, more understanding? What do you expect?

Prime Minister : I have always stated that a strong, prosperous Bangladesh is in India's interest. If there are any misgivings about our intention, I on behalf of the Government of India have always been willing to discuss this and remove those misgivings. I do believe that our two countries have a great deal in common. We can work out joint strategies to collectively get rid of chronic poverty that afflicts millions and millions of our people. I believe my visit here certainly has helped to improve the atmosphere. I did go over various issues with Begum Khaleda Zia and her response was constructive. I very much hope that the Prime Minister can visit us in Delhi. I invited her and she said she would be glad to come. There are no insurmountable issues between us. India will do nothing to hurt the interest of Bangladesh. By helping Bangladesh we help ourselves. That is the motivation which guides me and my Government.

Question : ...Inaudible...

Prime Minister : We have raised all those issues and recently the Home Secretaries of the two countries met where there was extensive discussion on this subject. I think some positive steps forward have been indicated.

Question (Mahua, *Tara TV*) : How do you describe this Dhaka Summit different from other summits like the one at Islamabad? What are the three points, other than the assurance, on which you really made progress in this round?

Prime Minister : I was not ...(inaudible)... Islamabad Summit. So, I really cannot compare one with the other. But I would consider that this Summit discussed the essential issues which hampered the process of closer regional cooperation and integration. I mentioned, for example, the issue of connectivity, transit rights, working to ensure that transportation system in

the region works effectively to promote linkages ensuring that the vast human resource endowments of the region are exploited collectively to promote our common well being. I think in all these matters I found a complete unanimity of interests. Apart from that, the admission of Afghanistan as a new member, the likelihood or the possibility that Japan and China would also be given some sort of Observer's status or dialogue partners, that shows the growing importance of the SAARC process in this region.

Question (Jyoti Malhotra, Star News) : Just a follow up to my earlier 'trust deficit' question between India and Pakistan. Do you believe that there is a Pakistani hand in the Delhi bomb blast and did you take this up with the Prime Minister?

Prime Minister : The inquiries are under way. There are several clues, some indications about external linkages of this terrorist group. But I would not like to say more than that until I have a firm grasp of really who were these groups which were responsible. But available clues do suggest the external linkages of the groups that may have been involved. I would not like to go beyond that.

Question : On the Pakistani establishment, do you think Musharraf himself, I mean is it the State, that is involved or are these rogue elements which were involved?

Prime Minister : I think I have said more than once that we can choose our friends but we cannot choose our neighbours. We have to do business with Governments which are in power in our neighbourhood. Therefore, using harsh language in public is not the best way to promote dialogue and understanding. If we have any concerns, we do discuss with the Governments concerned. Therefore, I do not believe that anything great is achieved by conducting this dialogue in full glare of public gaze.



092. Agreement for Establishment of SAARC Arbitration Council.**Dhaka, November 13, 2005.**

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Desirous of creating conditions favourable for fostering greater investment by investors of one Member State in the territory of another Member State;

Desirous of providing a regional forum for settlement of commercial disputes by conciliation and arbitration;

Have agreed as follows:

Article-1**Establishment of the SAARC Arbitration Council**

- I. (1) There is hereby established a body to be known as the SAARC Arbitration Council (hereinafter referred to as the "Council").
- (2) The Council shall have full legal personality.
- (3) The legal capacity of the Council shall include:
 - (a) the capacity to contract;
 - (b) to sue and be sued in its name; and
 - (c) to acquire, hold and dispose of properties.
2. The location of the Council shall be decided.

Article-2**Objectives and Functions of the Council**

3. The objectives and functions of the Council are to:
 - (a) provide a legal framework within the region for fair and efficient settlement through conciliation and arbitration of commercial,

- investment and such other disputes as may be referred to the Council by agreement;
- (b) promote the growth and effective functioning of national arbitration institutions within the region;
 - (c) provide fair, inexpensive and expeditious arbitration in the region;
 - (d) promote international conciliation and arbitration in the region;
 - (e) provide facilities for conciliation and arbitration;
 - (f) act as a co-ordinating agency in the SAARC dispute resolution system;
 - (g) coordinate the activities of and assist existing institutions concerned with arbitration, particularly those in the region;
 - (h) render assistance in the conduct of ad hoc arbitration proceedings;
 - (i) assist in the enforcement of arbitral awards;
 - (j) maintain registers/panels of:
 - (i) expert witnesses, and
 - (ii) suitably qualified persons to act as arbitrators as and when required; and
 - (k) carry out such other activities as are conducive or incidental to its functions.
4. The Council shall have the powers necessary to enable it to carry out its objectives and functions.

Article-3
Organisational set-up of the Council

5. (1) There shall be for the Council a Director-General who shall:
- (a) be a citizen of a SAARC Member State; and

- (b) be appointed, on the principle of alphabetical rotation among SAARC Member States commencing from the Member State hosting the Council, by the Secretary-General of SAARC with the approval of the Council of Ministers.
- (2) The Director-General shall hold office for a non-renewable period of three years on such terms and conditions as may be determined by the Council of Ministers. However, the tenure of the first Director-General will be for a period of four years.
- (3) The Director-General shall be the chief executive of the Council and be responsible for the day-to-day administration of the Council and will work under the supervision of the Governing Board comprising a Member nominated by each Member State.
- (4) The salary and allowances of the Director-General shall be determined by the Council of Ministers.
- (5) With regard to matters not covered in this Agreement, including the Service Rules, Provisions relating to Financial and Administrative Matters, Financial Regulations, Financial Rules and Procedures and Rules of Procedures for Governing Boards applicable to the SAARC Regional Centres under the Harmonized Rules will be applicable, mutatis-mutandis, to the Council.
6. The Council, its Director-General and staff shall enjoy such immunities and privileges as are essential for the effective functioning of the Council to be specified in the Headquarters Agreement between the Council and the Host Member State.

Article-4 **Rules**

7. (1) Subject to the Conciliation Rules to be agreed and annexed to this Agreement, the Governing Board may make any additional rules for the administration of conciliation proceedings conducted under the auspices of the Council, including the schedule of fees to be charged.
- (2) Subject to the Arbitration Rules to be agreed and annexed to this Agreement, the Governing Board may make any additional rules for the administration of arbitrations conducted under the auspices of the Council, including the schedule of fees to be charged.

(3) The Rules made under sub-paras (1) & (2) of this Article shall be made public.

Article-5
Entry into Force

8. This Agreement shall enter into force on completion of formalities, including ratification, by all Member States and upon issue of notification thereof by the SAARC Secretariat.

Article-6
Depositary

9. This Agreement shall be deposited with the Secretary General of SAARC.

Article-7
Reservations

10. This Agreement shall not be subject to reservations either at the time of signature or at the time of notification to the SAARC Secretariat of the completion of formalities in terms of Article V.

Article-8
Amendment

11. This Agreement may be amended by consensus amongst the Member States. Any Member State proposing amendment(s) shall notify the other Member States through the SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification, by all Member States.

In Witness Whereof, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on Establishment of SAARC Arbitration Council.

Done at Dhaka, Bangladesh On This The Thirteenth Day of November Two Thousand Five in Nine Originals in the English Language All Texts Being Equally Authentic.



093. SAARC Agreement on Mutual Administrative Assistance in Customs Matters.

Dhaka, November 13, 2005.

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States",

Motivated by the commitment to promote regional cooperation for the benefit of their peoples, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Recalling the common desire to promote the South Asian Free Trade Area (SAFTA) which is to come into effect on 1st January 2006 and convinced that closer cooperation amongst their Customs Administrations will facilitate intra-regional trade;

Recognizing the need for regional co-operation in matters related to the application and enforcement of their Customs laws;

Considering the importance of accurate assessment of Customs duties and other taxes and of ensuring proper enforcement by Customs Administrations of prohibitions, restrictions and measures of control in respect of specific goods;

Considering that offences against Customs law are prejudicial to the security of the Contracting States and their economic, commercial, fiscal, social, public health and cultural interests;

Convinced that action against Customs offences can be made more effective by close co-operation between their Customs Administrations based on clear legal provisions;

Having Regard to the relevant instruments of the Customs Cooperation Council (World Customs Organisation);

Having Regard also to international Agreements containing prohibitions, restrictions and special measures of control in respect of specific goods;

Have agreed as follows:

Chapter - I Definitions

Article 1

For the purposes of this Agreement

1. "Customs Administration" shall mean the Customs authority and any other authority of a Contracting State authorized under national law and designated by that Contracting State to apply any provision of this Agreement.
2. "Customs law" shall mean any legal and administrative provisions applicable or enforceable by the Customs Administration of a Contracting State in connection with the importation, exportation, transshipment, transit, storage and movement of goods, including legal and administrative provisions relating to measures of prohibition, restriction and control;
3. "Customs offence" shall mean any breach or attempted breach of Customs law;
4. "person" shall mean both natural and legal persons, unless the context otherwise;
5. "personal data" shall mean any data concerning an identified or identifiable natural person;
6. "information" shall mean any data, whether or not processed or analysed, and documents, reports, and other communications in any format, including electronic, or certified or authenticated copies thereof;
7. "intelligence" shall mean information which has been processed and / or analyzed to provide an indication relevant to a Customs offence;
8. "requesting Administration" shall mean the Customs Administration which requests assistance;
9. "requested Administration" shall mean the Customs Administration from which assistance is requested;

10. "official" shall mean any Customs officer or other government functionary designated by a Customs Administration;

Chapter -II Scope of the Agreement

Article 2

1. The Contracting States shall through their Customs Administrations provide each other administrative assistance under the terms set out in this Agreement, for the proper application of Customs law and for the prevention, investigation and combating of Customs offences.
2. All assistance under this Agreement by a Contracting State shall be performed in accordance with its national legal and administrative provisions and within the limits of its Customs Administration's competence and available resources.
3. This Agreement only covers mutual administrative assistance between the Contracting States and is not intended to have an impact on mutual legal assistance agreements between them. If mutual assistance is to be provided by other authorities of a requested Contracting State, the requested Administration shall indicate those authorities and, where known, the relevant agreement or arrangement applicable.
4. The provisions of this Agreement shall not give rise to a right on the part of any person to impede the execution of a request for assistance.

Chapter-III Scope of assistance

Article 3

1. The Customs Administrations shall provide each other, either on request or on their own initiative, with information and intelligence which helps to ensure proper application of the Customs law and the prevention, investigation and combating of Customs offences.
2. The Customs Administrations shall, in making inquiries on behalf of the other Customs Administrations, act as if they were being made on its own account or at the request of another authority in that Contracting State.

Article 4

The Customs Administrations shall provide each other, either on request or on their own initiative, with information which helps to ensure proper application of Customs law and the prevention, investigation and combating of Customs offences. Such information may include :

- (a) new enforcement techniques having proved their effectiveness;
- (b) new trends, means or methods of committing Customs offences;
- (c) goods known to be the subject of Customs offences, as well as transport and storage methods used in respect of those goods;
- (d) persons known to have committed a Customs offence or suspected of being about to commit a Customs offence;
- (e) any other data that can assist Customs Administrations with risk assessment for control and facilitation purposes.

Chapter-IV Special Assistance

Article 5

1. On request, the requested Administration shall, in support of the proper application of Customs law or in the prevention of Customs fraud, provide information to assist a requesting Administration that has reasons to doubt the truth or accuracy of a declaration.
2. The request shall specify the verification procedures that the requesting Administration has undertaken or attempted and the specific information requested.
3. On request, the requested Administration shall provide the requesting Administration, who has reason to doubt the accuracy of information provided to it in a Customs matter, with information relative to:
 - (a) whether goods imported into the territory of the requesting Contracting State have been lawfully exported from the territory of the requested Contracting State;
 - (b) whether goods exported from the territory of the requesting

Contracting State have been lawfully imported into the territory of the requested Contracting State and the Customs procedure, if any, under which the goods have been placed.

Article 6

On request, the requested Administration shall, to the extent possible, maintain surveillance over and provide the requesting Administration with information on:

- (a) goods either in transport or in storage known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting State;
- (b) means of transport known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting State;
- (c) premises known to have been used or suspected of being used in connection with the commission of a Customs offence in the territory of the requesting Contracting State;
- (d) persons known to have committed or suspected of being about to commit a Customs offence in the territory of the requesting Contracting State, particularly those moving into and out of the territory of the requested Contracting State.

Article 7

1. The Customs Administrations shall provide each other, either on request or on their own initiative, with information and intelligence on transactions, completed or planned, which constitute or appear to constitute a Customs offence.

2. In serious cases that could involve substantial damage to the economy, public health, public security or any other vital interest of one Contracting State, the Customs Administration of the other Contracting State shall, wherever possible, supply information and intelligence on its own initiative.

Article 8

The Customs Administrations shall:

- a) assist each other with respect to the execution or provisional measures and proceedings, including the seizing, freezing or forfeiture of property;
- b) dispose of property proceeds or instrumentalities forfeited as a result of the assistance provided for under this Agreement, in accordance with the national legal and administrative provisions of the Contracting State in control of the property, proceeds or instrumentalities.

Chapter-V Information and Intelligence

Article 9

1. Original information shall only be requested in cases where certified or authenticated copies would be insufficient, and shall be returned as soon as possible; rights of the requested Administration or of third parties relating thereto shall remain unaffected. Any document accompanying such requests shall be translated, to the extent necessary, into English.

2. Any information and intelligence to be exchanged under this Agreement shall be accompanied by all relevant information for interpreting or utilizing it.

Chapter -VI Experts and witnesses

Article 10

On request, the requested Administration may authorize its officials to appear before a court or tribunal in the territory of the requesting Contracting State as experts or witnesses in a matter related to the application of Customs law.

Chapter-VII Communication of requests

Article 11

1. Requests for assistance under this Agreement shall be communicated directly between the Customs Administrations concerned.

Each Customs Administration shall designate an official Nodal Point (s) for this purpose and shall provide details thereof to the SAARC Secretariat, which shall communicate this information and any updates thereof to the other Customs Administrations. Each Customs Administration shall furnish a quarterly return to the SAARC Secretariat informing the number of requests made to different Customs Administrations and the responses received.

2. Requests for assistance under this Agreement shall be made in writing or electronically, and shall be accompanied by any information deemed useful for the purpose of complying with such requests. The requested Administration may require written confirmation of electronic requests. Where the circumstances so require, requests may be made verbally. Such requests shall be confirmed as soon as possible either in writing or, if acceptable to the requested and requesting Administrations, by electronic means.

3. Requests shall be made in English language. Any document accompanying such requests shall be translated, to the extent necessary, into English language.

4. Requests made pursuant to paragraph 2 of this Article, shall include the following details:

- (a) the name of the requesting Administration;
- (b) the matter at issue, type of assistance requested, and reasons for the request;
- (c) a brief description of the case under review and the legal and administrative provisions that apply;
- (d) the names and addresses of the persons to whom the request relates, if known;
- (e) a reference in accordance with paragraph 2 of Article 15, if applicable;
- (f) the verifications made in accordance with paragraph 2 of Article 5.

5. Where the requesting Administration requests that a certain procedure or methodology be followed, the requested Administration shall

comply with such a request, subject to its national legal and administrative provisions.

Chapter-VIII **Execution of requests**

Article 12

1. If the requested Administration does not have the information requested, it shall in accordance with its national legal and administrative provisions, either:

- a) initiate inquiries to obtain that information; or
- b) promptly transmit the request to the appropriate agency; or
- c) indicate which relevant authorities are concerned.

2. Any inquiry under paragraph 1 of this Article may include the taking of statements from persons from whom information is sought in connection with a Customs offence and from witnesses and experts.

Article 13

1. On request, officials specially designated by a requesting Administration may, with the authorization of the requested Administration and subject to conditions the latter may impose, for the purpose of investigating a Customs offence:

- (a) examine, in the offices of the requested Administration, documents and any other information in respect of that Customs offence, and be supplied with copies thereof;
- (b) be present during an inquiry conducted by the requested Administration in the territory of the requested Contracting State which is relevant to the requesting Administration; these officials shall only have an advisory role.

2. When officials of the requesting Administration are present in the territory of the other Contracting State in the circumstances provided for in paragraph 1 of this Article, they must at all times be able to furnish proof of their official capacity.

3. Officials shall, while in the territory of another Contracting State under the terms of this Agreement, be responsible for any offence they may commit and shall enjoy, to the extent provided by that State's national laws, the same protection as accorded to its own Customs officers.

Chapter -IX Use and Confidentiality of Information

Article 14

1. Any information communicated under this Agreement shall be used only by the Customs Administration for which it was intended and solely for the purpose of administrative assistance under the terms set out in this Agreement.

2. On request, the Contracting State that supplied the information may, notwithstanding paragraph 1 of this Article, authorize its use for other purposes or by other authorities, subject to any terms and conditions it may specify. Such use shall be in accordance with the legal and administrative provisions of the Contracting State which seeks to use the information. The use of information for other purposes includes its use in criminal investigations, prosecutions or proceedings.

3. Any information communicated under this Agreement shall be treated as confidential and shall, at least, be subject to the same protection and confidentiality as the same kind of information is subject to under the national legal and administrative provisions of the Contracting State where it is received.

4. Personal data exchange between two or more Contracting States under this Agreement shall not begin until the Contracting States concerned have, by mutual arrangement in accordance with paragraph 2 of Article 17, decided that such data will be afforded, in the territory of the receiving Contracting State, a level of protection that satisfies the requirements of the national law of the supplying Contracting State.

Chapter -X Exemption

Article 15

1. Where any assistance requested under this Agreement may infringe

the sovereignty, laws and treaty obligations, security, public policy or any other substantive national interest of a requested Contracting State, or prejudice any legitimate commercial or professional interests, such assistance may be declined by that Contracting State or provided subject to any terms or conditions it may require.

2. Where a requesting Administration would be unable to comply if a similar request were made by the requested Administration, it shall draw attention to that fact in its request. Compliance with such a request shall be at the discretion of the requested Administration.

3. Assistance may be postponed if there are grounds to believe that it will interfere with any ongoing investigation, prosecution or proceeding. In such a case, the requested Administration shall consult with the requesting Administration to determine if assistance can be given subject to such terms or conditions as the requested Administration may specify.

4. If the requested Administration considers that the effort required to fulfill a request is clearly disproportionate to the perceived benefit to the requesting Administration, it may decline to provide the requested assistance.

5. Where assistance is declined or postponed, reasons for declining or postponement shall be given.

Chapter-XI Costs

Article 16

1. Subject to paragraphs 2 and 3 of this Article, the costs incurred in the application of this Agreement shall be borne by the requested Contracting State.

2. Expenses and allowances paid to experts and witnesses, as well as costs of translators and interpreters, other than Government employees, shall be borne by the requesting Contracting State.

3. If the execution of a request requires expenses of a substantial or extraordinary nature, the Contracting States shall consult to determine the terms and conditions under which the request will be executed as well as the manner in which the costs shall be borne.

Chapter -XII Implementation and Dispute Settlement

Article 17

1. The Customs Administrations shall take measures so that their officials responsible for the investigation or combating of Customs offences maintain personal and direct relations with each other.
2. The Customs Administrations may decide on mutual arrangements to facilitate the implementation and application of this Agreement, between them.

Article 18

1. The Customs Administrations shall endeavor to resolve by mutual accord any problem or doubt arising from the interpretation or application of this Agreement.
2. The Contracting States shall hold periodic consultations, as appropriate, of Nodal Points and other relevant officials, with a view to facilitating the effective implementation of this Agreement and resolving disputes, if any.
3. The Heads of Customs Administrations may address any disputes referred by the Nodal Points.
4. Disputes for which no solutions are found shall be settled through Diplomatic channels.

Chapter-XIII Application

Article 19

This Agreement shall be applicable to the Customs territories of the Contracting States as defined in their national legal and administrative provisions.

Chapter-XIV Withdrawal

Article 20

1. Any Contracting State may withdraw from this Agreement at any

time after its entry into force. Such withdrawal shall be effective six months from the day on which written notice thereof is received by the SAARC Secretariat, the depositary of this Agreement.

2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date with the exception that ongoing proceedings at the time of termination shall nonetheless be completed in accordance with the provisions of this Agreement.

Chapter-XV Entry into force

Article 21

This Agreement shall enter into force on 1st January 2006 upon completion of formalities including ratification by all Contracting States and the issuance of notification thereof by the SAARC Secretariat.

Chapter-XVI Reservations

Article - 22

This Agreement shall not be signed with reservations, nor will reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

Chapter-XVII Amendments

Article - 23

This Agreement may be amended by consensus. Any such amendment will become effective upon the deposit of instruments of acceptance with the Secretary General of SAARC by all Contracting States.

Chapter -XVIII Review

Article 24

The Contracting States shall meet in order to review this Agreement

on request or at the end of five years from the date of its entry into force, unless they notify one another in writing that no such review is necessary.

Chapter-XIX
Depository

Article - 25

This Agreement will be deposited with the Secretary General of SAARC, who will promptly furnish a certified copy thereof to each Contracting State.

In Witness Whereof the undersigned being duly authorized thereto by their respective Governments have signed this SAARC Agreement on Mutual Administrative Assistance in Customs Matters.

Done at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five in Nine Originals in the English Language All Texts Being Equally Authentic



094. SAARC Limited Multilateral Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters.

Dhaka, November 13, 2005.

Preamble

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Desiring to conclude an Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in tax matters with a view to promoting economic cooperation amongst the SAARC Member States

Have agreed as follows:

Article-1 General Definitions

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term "Member State" means one of the States as per Schedule-I;
 - (b) the term "person" includes an individual, a company, a body of persons and any other entity which is treated as a taxable unit under the taxation laws in force in the respective Member States;
 - (c) the term "tax" means, tax (s) covered as per Schedule-II, as the context requires;
 - (d) the term "Competent Authority" means Competent Authority as per Schedule III;
 - (e) the term "national" means any individual possessing the nationality of a Member State; and
 - (f) the term "fiscal year" means the year as defined in Schedule IV.
2. As regards the application of the Agreement at any time by a Member State any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Member State for the purposes of the taxes to which the Agreement applies and any meaning under the applicable tax laws of that Member State prevailing over a meaning given to the term under other laws of that Member State.

Article - 2 Persons Covered

This Agreement shall apply to persons who are residents of one or more of the Member States, in respect of which it has entered into force in accordance with Article 16.

Article - 3 Taxes Covered

1. This Agreement shall apply to taxes on income imposed by or on

behalf of the Member States.

2. There shall be regarded as taxes on income all taxes imposed on total income, or on elements of income, including taxes on gains from the alienation of movable or immovable property and taxes on the total amounts of wages or salaries paid or deemed to be paid by enterprises.
3. The existing taxes to which the Agreement shall apply are listed in Schedule-II.
4. The Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The Competent Authorities of the Member States shall notify the SAARC Secretariat of any significant changes that have been made in their respective taxation laws.

Article - 4 Resident

1. For the purposes of this Agreement, the term "resident of a Member State" means any person who, under the laws of that Member State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that Member State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that Member State in respect only of income from sources in that Member State.
2. Where, by reason of the provisions of paragraph 1, an individual is a resident of more than one Member State, his/her status shall be determined as follows:
 - a) he/she shall be deemed to be a resident only of the Member State in which he/she has a permanent home available to him/her; if he/she has a permanent home available to him/her in more than one Member State, he/she shall be deemed to be a resident only of the Member State with which his/her personal and economic relations are closer (centre of vital interests);
 - b) if the Member State in which he/she has his/her centre of vital interests cannot be determined, or if he/she has not a permanent home available to him/her in any Member State, he/she shall be

deemed to be a resident only of the Member State in which he/she has an habitual abode;

- c) if he/she has an habitual abode in more than one Member State or in neither of them, he/she shall be deemed to be a resident only of the Member State of which he/she is a national;
- d) if he/she is a national of more than one Member State or of none of them, the Competent Authorities of the concerned Member States shall settle the question by mutual agreement.

3. Where, by reason of the provisions of paragraph 1, a person other than an individual is a resident of more than one Member State, it shall be deemed to be a resident only of the Member State in which its place of effective management is situated. If the Member State in which its place of effective management is situated cannot be determined, then the Competent Authorities of the concerned Member States shall settle the question by mutual agreement.

Article - 5 **Exchange of Information**

1. The Competent Authorities of the Member States shall exchange such information, including documents and public documents or certified copies thereof, as is necessary for carrying out the provisions of this Agreement or of the domestic laws of the Member States concerning taxes covered by this agreement insofar as the taxation thereunder is not contrary to the Agreement. Any information received by a Member State shall be treated as secret in the same manner as information obtained under the domestic laws of that Member State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to the taxes covered by the agreement. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Member State the obligation:

- (a) to carry out administrative measures at variance with the laws and administrative practices of that or of the other Member State;
- (b) to supply information, including documents and public documents or certified copies thereof, which are not obtainable under the laws or in the normal course of the administration of that or of the other Member State;
- (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (ordre public).

Article - 6

Assistance in the Collection of Taxes

1. The Member States shall lend assistance to each other in the collection of revenue claims. The Competent Authorities of the Member States may, by mutual agreement, settle the mode of application of this Article.
2. The term "revenue claim" as used in this Article means an amount owed in respect of taxes covered by the Agreement together with interest, penalties and costs of collection or conservancy related to such amount.
3. When a revenue claim of a Member State is enforceable under the laws of that Member State and is owed by a person who, at that time, cannot, under the laws of that Member State, prevent its collection, that revenue claim shall, at the request of the Competent Authority of that Member State, be accepted for purposes of collection by the Competent Authority of the other Member State, and that revenue claim shall be collected by that other Member State in accordance with the provisions of its laws applicable to the enforcement and collection of its own taxes as if the revenue claim were a revenue claim of that other Member State.
4. When a revenue claim of a Member State is a claim in respect of which that Member State may, under its law, take measures of conservancy with a view to ensure its collection, that revenue claim shall, at the request of the Competent Authority of that Member State, be accepted for purposes of taking measures of conservancy by the Competent Authority of the other Member State. That other Member State shall take measures of conservancy

in respect of that revenue claim in accordance with the provisions of its laws as if the revenue claim were a revenue claim of that other Member State even if, at the time when such measures are applied, the revenue claim is not enforceable in the first-mentioned Member State or is owed by a person who has a right to prevent its collection.

5. The provisions of this Article shall be invoked on request of a Member State only after all permissible measures of recovery under the domestic laws of that Member State have been exhausted.

6. Notwithstanding the provisions of paragraphs 3 and 4, a revenue claim accepted by a Member State for purposes of paragraph 3 or 4 shall not, in that Member State, be subject to the time limits or accorded any priority applicable to a revenue claim under the laws of that Member State by reason of its nature as such. In addition, a revenue claim accepted by a Member State for the purposes of paragraph 3 or 4 shall not, in that Member State, have any priority applicable to that revenue claim under the laws of the other Member State.

7. Proceedings with respect to the existence, validity or the amount of a revenue claim of a Member State shall only be brought before the courts or administrative bodies of that Member State. Nothing in this Article shall be construed as creating or providing any right to such proceedings before any court or administrative body of the other Member State.

8. Where, at any time after a request has been made by a Member State under paragraph 3 or 4 and before the other Member State has collected and remitted the relevant revenue claim to the first-mentioned Member State, the relevant revenue claim ceases to be:

- (a) in the case of a request under paragraph 3, a revenue claim of the first-mentioned Member State that is enforceable under the laws of that Member State and is owed by a person who, at that time, cannot, under the laws of that Member State, prevent its collection, or
- (b) in the case of a request under paragraph 4, a revenue claim of the first-mentioned Member State in respect of which that Member State may, under its laws, take measures of conservancy with a view to ensure its collection. The Competent Authority of the first-mentioned Member State shall promptly notify the Competent Authority of the

other Member State of that fact and, at the option of the other Member State, the first-mentioned Member State shall either suspend or withdraw its request.

9. In no case shall the provisions of this Article be construed so as to impose on a Member State the obligation:

- (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Member State;
- (b) to carry out measures which would be contrary to public policy (ordre public);
- (c) to provide assistance if the other Member State has not pursued all reasonable measures of collection or conservancy, as the case may be, available under its laws or administrative practices;
- (d) to provide assistance in those cases where the administrative burden for that Member State is clearly disproportionate to the benefit to be derived by the other Member State.

Article - 7 **Service of Documents**

1. At the request of the applicant Member State the requested Member State shall serve upon the addressee, documents and public documents including those relating to judicial decisions, which emanate from the applicant Member State and which relate to a tax covered by this Agreement.

2. The requested Member State shall effect service of documents, including public documents:

- (a) by a method prescribed by its domestic laws for the service of documents of a substantially similar nature;
- (b) to the extent possible, by a particular method requested by the applicant Member State or the closest to such method available under its own laws.

3. A Member State may effect service of documents directly through the post on a person in another Member State.

4. Nothing in the Agreement shall be construed as invalidating any service of documents by a Member State in accordance with its laws.

5. When a document is served in accordance with this Article and it is not in English language, the same should be accompanied by a translation into English.

Article - 8 **Professors, Teachers and Research Scholars**

1. A professor, teacher or research scholar who is or was a resident of the Member State immediately before visiting the other Member State for the purpose of teaching or engaging in research, or both, at a university, college or other similar approved institution in that other Member State shall be exempt from tax in that other Member State on any remuneration for such teaching or research for a period not exceeding two years from the date of his/her arrival in that other Member State.

2. For the purposes of this Article, an individual shall be deemed to be a resident of a Member State if he/she is resident in that Member State in the fiscal year in which he/she visits the other Member State or in the immediately preceding fiscal year.

3. For the purposes of paragraph 1 "approved institution" means an institution which has been approved in this regard by the Government of the concerned Member State.

Article - 9 **Students**

1. A student who is or was a resident of one of the Member States immediately before visiting the other Member State and who is present in that other Member State solely for the purpose of his/her education or training shall, besides grants, loans and scholarships and any payments received from sources outside that State for the purpose of his/her maintenance, education or training, be exempt from tax in that other Member State on remuneration which he/she derives from an employment which he/she exercises in the other Member State if the employment is directly related to his/her studies.

2. The exemption available under paragraph 1 above in respect of

remuneration from employment shall not exceed an amount equal to US\$ 3000/- per annum.

3. The benefits of this Article shall extend only for such period of time as may be reasonable or customarily required to complete the education or training undertaken, but in no event shall any individual have the benefits of this Article, for more than six consecutive years from the date of his/her first arrival in that other Member State.

Article - 10 Training

1. The Member States shall endeavour to hold and organise training programmes, seminars and workshops for the tax administrators with the objective of:

- (i) providing a common forum for senior tax administrators to meet and discuss problems of common concern;
- (ii) enhancing the technical and administrative knowledge and skills of tax administrators; and
- (iii) evolving strategies to combat common tax problems like tax avoidance/evasion in the SAARC region.

Article - 11 Sharing of Tax Policy

1. Each Member State shall endeavour to bring out a yearly report on changes made in its tax laws. This may also cover introduction of new systems or techniques for circulation among the Member States.

2. A Member State may, on request, make available its pool of talented experts to other Member States for the purposes of drafting and organising legislation, tax procedures, operational management, on-the-job training programmes, information system and technology etc.

Article - 12 Implementaion

The Member States shall hold periodic consultations, as appropriate, of Competent Authorities, with a view to facilitating the effective implementation of this Agreement.

Article - 13 Review

The Member States shall meet in order to review this Agreement on request or at the end of five years from the date of its entry into force, unless they notify the SAARC Secretariat, in writing, that no such review is necessary.

Article - 14 Amendments

This Agreement may be amended by consensus. Any such amendment will become effective upon the deposit of instrument(s) of acceptance with the Secretary-General of SAARC by all Member States and issuance of notification thereof by the SAARC Secretariat. Such an amendment shall have effect in the Member States from the date of commencement of their respective fiscal year following the issuance of notification by the SAARC Secretariat.

Article - 15 Depositary

This Agreement will be deposited with the Secretary General of SAARC, who will furnish a certified copy thereof to each Member State.

Article - 16 Entry Into Force

1. This Agreement shall enter into force on the thirtieth day after the notification issued by the SAARC Secretariat regarding completion of all formalities, including ratification, wherever applicable, by all Member States, which shall be done no later than 30 June 2006.
2. The provisions of this Agreement shall have effect:
 - (i) In Bangladesh**
 - (a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;
 - (b) with regard other taxes, in respect of tax years beginning on or after

the first day of July next following the date upon which the Agreement enters into force;

(ii) In Bhutan

(a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;

(b) with regard other taxes, in respect of tax years beginning on or after the first day of July next following the date upon which the Agreement enters into force

(iii) In India,

in respect of income derived in any fiscal year on or after the first day of April next following the date upon which the Agreement enters into force;

(iv) In Maldives

in respect of income derived in any fiscal year on or after the first day of January next following the date upon which the Agreement enters into force;

(v) In Nepal

in respect of income arising in any year of income beginning on or after the first day of Nepalese fiscal year starting mid-July next following the date upon which the Agreement enters into force;

(vi) In Pakistan:

(a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;

(b) with regard other taxes, in respect of tax years beginning on or after the first day of July next following the date upon which the Agreement enters into force; and

(vii) In Sri Lanka

in respect of income derived on or after the first day of April of the

year next following the date upon which the Agreement enters into force;

Article - 17 Termination

This Agreement shall remain in force indefinitely until terminated by a Member State. A Member State may terminate the Agreement, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year beginning after the expiration of five years from the date of entry into force of the Agreement. In such event, the Agreement shall cease to have effect:

- (i) **In Bangladesh**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given;
- (ii) **In Bhutan**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given;
- (iii) **In India**, in respect of income derived in any fiscal year on or after the first day of April next following the expiration of six months period from the date on which the written notice of termination is given;
- (iv) **In Maldives**, in respect of income derived in any fiscal year on or after the first day of January next following the expiration of six months period from the date on which the written notice of termination is given;
- (v) **In Nepal**, in respect of income derived in any fiscal year on or after the first day of mid-July next following the expiration of six months period from the date on which the written notice of termination is given;
- (vi) **In Pakistan**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given; and

- (vii) **In Sri Lanka**, in respect of income derived on or after the first day of April of the year next following the expiration of six months period from the date on which the written notice of termination is given;

In Witness Whereof, the undersigned, duly authorized thereto, have signed this Agreement.

Done at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five, In Nine Originals In English Language, All Texts Being Equally Authentic.

Protocol

On formalization, this SAARC Limited Multilateral Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters shall be applicable only in the Member States where an adequate Direct Tax Structure is in place. Further, in case of a Member State where such a structure is not in place, this Agreement shall become effective from the date on which such a Member State introduces a proper Direct Tax Structure and notifies the SAARC Secretariat to this effect.

Further that in the event of a conflict between the provisions of this Limited Multilateral Agreement and that of any bilateral Double Taxation Avoidance Agreement between the Member States, the provisions of the Agreement signed or amended at a later date shall prevail.

Done at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five, In Nine Originals In English Language, All Texts Being Equally Authentic.

Schedule I **Member States to the Agreement**

1. The People's Republic of Bangladesh
2. Kingdom of Bhutan
3. Republic of India

4. Republic of Maldives
5. Kingdom of Nepal
6. Islamic Republic of Pakistan
7. Democratic Socialist Republic of Sri Lanka

**Schedule II
Taxes Covered**

The existing taxes to which this Agreement shall apply:

1. In Bangladesh Taxes on income that is direct tax
2. In Bhutan Income Tax imposed under Income Tax Act 2001 and the rules thereof
3. In India Income Tax, including any surcharge thereon
4. In Maldives Taxes on income that is direct tax
5. In Nepal Income Tax imposed under the Income Tax Act, 2058¹
6. In Pakistan Taxes on Income
7. In Sri Lanka Income tax including the income tax based on the turnover of enterprises licensed by the Board of Investment

**Schedule III
Competent Authority**

The term "Competent Authority" means :

1. In Bangladesh National Board of Revenue or its authorized representative

- | | | |
|----|--------------|---|
| 2. | In Bhutan | The Ministry of Finance or its authorized representative |
| 3. | In India | The Finance Ministry, Government of India, or its authorized representative |
| 4. | In Maldives | Department of Inland Revenue, Ministry of Finance and Treasury |
| 5. | In Nepal | His Majesty's Government of Nepal, Ministry of Finance or its authorized representative |
| 6. | In Pakistan | Central Board of Revenue or its authorized representative |
| 7. | In Sri Lanka | Commissioner General of Inland Revenue |

Schedule IV
Fiscal Year

The term "fiscal year" means:

- | | | |
|----|-----------------------|------------------------------------|
| 1. | In case of Bangladesh | 1st July - 30th June |
| 2. | In case of Bhutan | 1st July - 30th June |
| 3. | In case of India | 1st April - 31st March |
| 4. | In case of Maldives | 1st January - 31st December |
| 5. | In case of Nepal | The fiscal year beginning mid-July |
| 6. | In case of Pakistan | 1st July - 30th June |
| 7. | In case of Sri Lanka | 1st April - 31st March |



095. Inaugural address by Prime Minister Dr. Manmohan Singh at SAARC Business Leaders' Conclave.**New Delhi, November 17, 2005.**

It is a pleasure to participate in the first SAARC Business Leaders Conclave. I welcome delegates from our neighbouring countries to this meeting. I trust this conclave will evolve concrete ideas for regional cooperation. For it is a fact that today, while the responsibility for expanding relations between nations is the primary task of Governments, people-to-people and business-to-business relations are also important elements in the overall architecture of interaction. I therefore commend this effort of the SAARC Chamber of Commerce and Industry, and their partners in the national chambers of commerce and industry of our region.

Ladies and Gentlemen,

An important part of the SAARC process has been the effort to build interlinkages between our nations at all levels. Typically such efforts have built on the outcomes of Summit meetings. Therefore, I think it is essential for industry and business to quickly utilize the opportunities emerging from this milestone Summit meeting.

I say that the Dhaka meeting was a milestone because it showed the continuing relevance of our group. This was underlined not only by the growing regional interest in it but also by the range of measures upon which we agreed at Dhaka. The decision to invite Afghanistan to join us, and the other new initiatives proposed at the Summit, will inject new dynamism into SAARC. At this twentieth anniversary of our group, India believes that it is an appropriate time for a strategic 'Partnership for Prosperity', which will meet the hopes and aspirations of the people of our ancient lands.

Apart from three important agreements concluded at Dhaka to solidify the framework for regional economic cooperation and trade, a number of new proposals were put forward. Most of these aimed at identifying areas of individual strength, to share competencies with each other. This is in keeping with the spirit of effective regional cooperation. For instance, keeping in view the magnitude of natural disasters that have affected our region in the past year through natural disasters, we have agreed to set up a disaster

management centre in India. We also offered to set up a South Asian University, a Food Bank, a satellite based telemedicine link, and a museum of traditional handicrafts and textiles.

We have also been looking at other measures to increase intra-regional investment. Our businessmen must give priority to private sector cooperation in areas such as power generation; research and development in science and technology; and services like healthcare, education, IT and insurance. We must strive collectively, in a cooperative spirit, to remove the barriers to the free flow of goods, peoples and ideas within our own region.

Ladies and Gentlemen,

In this context, India strongly emphasizes the need to improve connectivity within our region, and between our region collectively and the nations beyond. This is the key to unlocking the potential of our people and our lands. Such connectivity is based on the inescapable logic of history and geography: we cannot undo what nature has made for us. We need to regenerate and revitalize traditional arteries of transport and communication in our region, as well as create new linkages.

In taking South Asia to the next level of intra-regional connectivity, considerable investment will be required to build the necessary infrastructure. As a first step, India has, on a reciprocal basis, announced measures to move towards an 'Open Skies' regime in our region. We are working for greater liberalization of visa regimes to benefit all areas of cooperative interaction. I am happy that we have decided to increase the number of SAARC visas issued to leading businessmen of our member states. We have also urged our partners in SAARC to reciprocally provide to each other transit facilities to third countries. These will not only link our nations, but more importantly, it will connect our region to the ongoing economic miracle in South East and East Asia. We will also link ourselves to the vast energy markets of West Asia and Central Asia. We can no longer afford the cost of seeing our region in isolation from the broader Asian context.

Ladies and Gentlemen,

We are standing today at the threshold of a new dawn in the history

of SAARC. Member states realize the imperative of rejuvenating our group and infusing in it a new sense of hope and optimism. At the same time, we also need to learn from our shortcomings that have been apparent over the past two decades. One of these has been a failure to implement projects announced. We must move from the realm of ideas to the sphere of concrete action. We must focus on more concrete, collaborative and implementable projects. Some groundwork has already been done. Interactions of the various technical committees and working groups under SAARC have produced a wealth of region-wise data. This invaluable data-base can help in establishing collaborative projects.

Yet despite some successes on other fronts, SAARC has not succeeded in exploiting the immense economic potential of our region. Even after two decades, intra-SAARC exports are a mere 5% of the total exports of the region. By comparison, intra-EU exports are 55.2%; intra-NAFTA exports are 51.7% and intra-ASEAN exports are 20.4%. Hence, the need for implementing SAFTA cannot be overemphasized. It is expected that with the free flow of trade in the region, the current level of intra regional trade will rise from 6 billion to 14 billion dollars annually within two years of SAFTA's existence.

All SAARC member states are committed to an early resolution of the outstanding issues under SAFTA. We are hopeful that the ongoing negotiations will ensure that it is operationalized from the first of January next year. We now need to expand the ambit of SAFTA, to include trade in services, in addition to widening the scope of trade in goods. Only then will SAFTA emerge as an effective vehicle for growth and regional integration. We hope that the Free Trade Agreement will help us to move forward, towards the eventual goal of a South Asian Economic Union. I do believe that just as regional integration is not antithetical to globalization, it also does not hurt the broader interests of any member of a regional group.

I understand the sense of doubt and misgivings among many corporate entities in each of our countries. Change requires adaptation, and movement from the status quo. However, such concerns are not rooted in reality. For one, the fact that misgivings are generally spread out among businessmen in the entire region suggests that both positive and negative impact will be well distributed. Just as manufacturers in one country fear

the lowering of barriers in one sector, there will be benefits to be derived in other sectors.

Furthermore, empirical evidence and experience within our own region points to the overall benefit derived by both sides in Free Trade Agreements. For instance, the India-Sri Lanka Free Trade Agreement has been a huge success for both countries. Sri Lanka's exports to India have grown by well over 100%, as have our exports to Sri Lanka. This has dispelled fears on both sides that free trade would hurt businesses in smaller countries. This FTA is a win-win agreement for both countries, and could be a model for similar agreements in the region. I therefore believe we must move rapidly to meet the deadline for SAFTA, and follow this up proactively with measures to widen and deepen coverage of the FTA.

Ladies and Gentlemen,

Business and trade flourish in an environment of security. Therefore, it is imperative to unitedly fight the spectre of terrorism that haunts our region. Terrorism, by whatever name, has no place in civilized societies. The basic goal of terrorism is to cause insecurity. We all know that in any interconnected region, and in our globalized world, the consequences of both poverty and insecurity are indivisible. No country in this region can be secure when others are insecure. No country can insulate itself from the consequences of poverty, disease and terrorism in any other country. Our lives are inter-linked, and so are our prosperity and our security.

This is something that business leaders understand very well. We have often seen how heightened tension and insecurity in one part of South Asia impacts upon the business environment elsewhere. No one can assume that when a neighbour is hurt by terrorism one can somehow remain insulated from the consequences. Every country in this region wants to attract more foreign investment from outside the region. We then have a collective stake in ensuring peace and security here because no investor will come to this region if there is no assurance of peace and security. To imagine that any one of us can pursue what economists call "beggar-thy-neighbour" policies and thereby prosper is to delude oneself.

For these reasons, our business community has a vital stake in regional security and in victory in the war against terror. It is only in peace

and in stability that we can build the foundation necessary for social development and economic growth in the region. We must join hands to put our collective house in order. Peace in the region will benefit all. Terrorism anywhere will hurt us all.

Ladies and Gentlemen,

For centuries, the people of South Asia have engaged in commerce with each other and with the world. We must build on our ancient civilizational and commercial linkages by renewing and nurturing the economic, social and cultural ties that bind our region together. As envisioned at the thirteenth SAARC Summit, it is on the basis of renewed people-to-people ties that we will forge stronger links, to help us strengthen the basis for our region-wide partnership for prosperity. I wish your deliberations every success.



096. Statement by Minister of State E. Ahamed in the Lok Sabha on the 13th SAARC Summit held in Dhaka.

New Delhi, November 30, 2005.

The Thirteenth SAARC Summit took place in Dhaka from November 12-13, 2005. India participated actively in both the preparations for the Summit as well as in its deliberations at Dhaka. The major achievements of the Summit are in consonance with India's objectives and provide new opportunities to further the process of regional economic integration in South Asia.

Members are aware that India has long argued that if South Asia is to become a dynamic component of the larger process of regional cooperation and globalization that is taking place in the world, it must first bring about economic integration amongst the member countries, as an essential pre-requisite. Prime Minister, Dr. Manmohan Singh put forward a bold new vision of a SAARC, which is interconnected, where political divisions do not stand in the way of the free movement of peoples, goods and services and ideas, across our region. In this context, he offered, on a reciprocal basis, transit facilities to all countries of the region and also greater air connectivity through a virtual open skies arrangement. India took the lead in drafting a strong political message that there should be no delay in the operationalisation of the SAFTA (South Asia Free Trade Area) Agreement.

Members would also be aware that India had taken a strong initiative to ensure the entry of Afghanistan as a new member of SAARC. The consensus decision taken by the SAARC Heads of State and Government to welcome Afghanistan as SAARC's eighth member is a major success for Indian diplomacy. With Afghanistan's entry, SAARC has acquired a more complete regional identity, and a country with which India has traditionally close and friendly relations is now a part of SAARC.

The Summit noted the renewed interest of other regional and international organizations, bodies and entities to cooperate with SAARC in fields of mutual interest. India has welcomed the interest shown by China as well as Japan to be associated with SAARC as Observers. We would welcome similar association with other interested countries as well. It has

been agreed that the Council of Ministers will decide the modalities in this regard in their 27th meeting to be held in July 2006.

Members would be happy to know that India's offer for hosting the SAARC Centre for Disaster Management and Preparedness has been welcomed and accepted by the Summit. This is an important development, considering the extensive loss of life and property due to natural disasters such as the Tsunami and earthquakes, which have affected our region during the past one year. There was a clear recognition that we need a permanent regional response mechanism dedicated to disaster preparedness, emergency relief and rehabilitation. India's record and demonstrated capabilities in this regard helped in ensuring the success of our proposal to host the Centre in India. This Centre will be closely associated with the National Institute for Disaster Management in Delhi.

The proposal made by India for the setting up of a South Asia University that would bring together scholars, scientists and students from all over South Asia in a centre of excellence was welcomed enthusiastically. We will be preparing a Concept Paper in this regard for further consideration by the SAARC Heads of State and Government.

The Summit has also noted with appreciation some other important proposals made by India, such as the setting up of a Regional Food Bank, a Regional Tele-medicine Network, and the holding of a SAARC Car Rally in the run up to the 14th SAARC Summit, which will be held in India in the first quarter of 2007. We intend to develop these ideas further in close consultation with our SAARC partners.

A major theme at the Summit was cooperation in counter terrorism. It will be noted that there is a very strong condemnation of terrorism in the Summit Declaration and renewed commitment to eliminate this scourge, both from the region as well as from the world. For the first time, there is also a clear reference to avoid double standards in tackling this collective challenge. I would rate this also as a major achievement of the Summit, which is entirely in line with India's own foreign policy objectives.

The Summit was also notable for the signing of three very important trade facilitation agreements. This include:

- The Agreement on Mutual Administrative Assistance in Customs Matters;

- The Agreement on the Establishment of SAARC Arbitration Council;
- The Limited Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters.

With the implementation of these Agreements, regional economic cooperation within SAARC will receive a major boost.

Hon. Speaker, Sir, there are also a number of other decisions taken at the SAARC Summit and these may be seen in the Summit Declaration which is being placed on the Table of the House¹.

To conclude, Mr. Speaker, Sir, the Thirteenth Summit was a landmark event which took place as SAARC enters the third decade of its existence. There was a strong sentiment amongst member countries that the time had come for us to move from a phase of declaratory and consultative processes to more practical and collaborative processes. India is a very strong advocate of collaboration in regional projects, particularly in areas such as infrastructure, poverty alleviation and dealing with cross border challenges such as natural disasters, pandemics like HIV AIDS and Avian Flu and terrorism in all its forms and manifestations. I would like to assure members that in the months ahead, it would be our endeavour not only to implement some of the important decisions, which have been taken at the Summit but to also promote practical, result-oriented collaborative projects amongst member countries. We want to ensure that when India hosts the next SAARC Summit in the first quarter of 2007, the stage would have been set for a significant upgradation in regional cooperation within SAARC and the first steps would have been taken towards establishing a truly free trade area in South Asia.



1. See Document No. 90

097. Question in the Rajya Sabha: “Admission of China and Japan in SAARC”.

New Delhi, December 8, 2005.

Will the Minister of External Affairs be pleased to state:

- (a) Whether the 13th meet of the Head of States of SAARC countries, held in Dhaka during second week of November 2005, decided in favour of admitting Afghanistan as member;
- (b) if so, the details of the resolution adopted in this regard, including the brief background of its origin;
- (c) whether the summit also dwelt upon a proposal of admitting China and Japan in SAARC;
- (d) the nature and status of the said proposal, including broad views of the countries favouring/opposing the proposal; and
- (e) the details of the genesis of the proposals of inviting China and Japan as Observer members of SAARC?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed):

(a) to (e): The decisions in the SAARC Summit are taken by consensus. The recent SAARC Summit in Dhaka welcomed the request of the Islamic Republic of Afghanistan for membership and invited Afghanistan to join as a Member, subject to completion of formalities. The Summit also agreed, in principle, that the People’s Republic of China and Japan may be associated as Observers. The Summit further decided that the modalities regarding Observer status will be decided at the twenty-seventh meeting of the SAARC Council of Ministers in July, 2006.

Shri S.S. Ahluwalia: Mr. Chairman, Sir, the Minister, in his reply, has said that the membership is given to Afghanistan to join as a member of SAARC subject to completion of certain formalities. I would like to know from the hon. Minister what are those formalities and whether any timeframe is fixed for completion of those formalities.

Shri E. Ahamed: Sir, any state or any country, joining SAARC, will have to

declare that they will adhere to all the principles and the Charter of the SAARC. The Secretariat of SAARC will get in touch with them, and, as soon as possible, it will be completed. They will have to join as 8th Member when next SAARC Summit will be held. It is going to be held in India.

Shri S.S. Ahluwalia: Sir, in the Charter of the SAARC, there are plenty of formalities which are to be fulfilled. So, at the time of consideration for taking them as a Member, how many formalities were fulfilled and how many are yet to be fulfilled? I would also like to know whether, India, who is a partner in rebuilding Afghanistan, is assisting Afghanistan to complete these formalities and become a permanent Member of the SAARC?

Shri E. Ahamed : Sir, India has taken a decision to welcome Afghanistan to the SAARC community and it has expressed its wish and the decision in the SAARC Summit. India has been helping Afghanistan in all the ways possible. There are two questions, one is about the SAARC and the other is about Afghanistan-India relationship. As far as Afghanistan's entry into SAARC is concerned, India has welcomed it. Our hon. Prime Minister has already welcomed Afghanistan as soon as the decision was taken. And he said that it was an appropriate recognition for Afghanistan as a regional partner. With regard to the assistance given to Afghanistan, there is a bilateral decision, and it has already been mentioned in this House many times. India has pledged to assist Afghanistan to the tune of more than 515 million dollars; many of the projects are going on; and for all the ongoing projects, India is committed that it will continue to support Afghanistan in the reconstruction of Afghanistan.

Shri Dinesh Trivedi: Sir, I want to ask a very short and very specific question. Are you having any proposal to have a common currency like the European Union for the SAARC countries and as well free movement of goods and people within the SAARC countries?

Shri E. Ahamed: Sir, the hon. Member put this question last time also. On this, I would just like to make the stand of India clear. India has outlined its vision of a South Asia Economic Community on the pattern of the European Union. South Asia is a compact region geographically. It enjoys a high degree of cultural affinity and has a shared historical legacy. The economies of South Asian countries are complementary to each other. These are all very positive factors which can contribute to the success of closer economic integration in South Asia. As part of the economic integration, we can

certainly consider a free trade area, a regional financial system, customs union and eventually a common currency. After all, not very long ago, our region did have a single currency, the Rupee, in circulation. But that was when we were all part of the British colonial empire. Today, we must aspire to be an Economic Union as sovereign and independent states, based on an acknowledgement of our economic complementarities. Members are aware that a South Asia Free Trade Area (SAFTA) will be inaugurated on January 1, 2006. The SAARC Finance and Economic Ministers have been charged to look into other aspects of economic integration and this also includes harmonisation of our fiscal policies, our customs procedures and, at an appropriate time, a common currency as well.

Shri Yashwant Sinha: Sir, the Dhaka Summit of the SAARC was marked by a very outstanding development and that was the decision in principle, as the reply to this question says, to admit the People's Republic of China and Japan as Observers. Now, the Minister has just said that they welcome Afghanistan joining the SAARC as a Member. The impression which has gone round, and I would like the Minister or the Prime Minister for that matter, therefore, to clarify on this, that Nepal is the country which sponsored China; they were pressing that China should also join the SAARC as a Member State. But, finally, it was decided that it would only be an observer status and that too along with Japan. Now, do we welcome the association of China with the SAARC as an Observer? Or do we have any reservations about China being associated with the SAARC? In the case of Afghanistan, we are saying very openly that we welcome it. What is our position with regard to China? And were we embarrassed because of the fact that it was Nepal which advocated the case of China?

DR. Manmohan Singh: Mr. Chairman, Sir, we have no reservation in regard to observer status being granted to China as well as to Japan. The question is, one has to specify the obligations and rights which go with the observer status. That will be settled at the next Ministerial meeting.

Mr. Chairman: Shri Jethmalani.

Shi Ram Jethmalani: Sir, I am all for the kind of efforts which are being made to rehabilitate Afghanistan; and to develop friendly relations with Afghanistan. But, I think, Sir, there is a need to reform and rehabilitate their intellectual and spiritual attitudes as well. Has it ever occurred to anybody in the Government to tell the Afghan Government that we will consider their

nation fully civilised and provide all help when they first restore and repair the damaged statues of Buddha which the Taliban vandals had brought down so shamelessly?

Dr. Manmohan Singh: Mr. Chairman, Sir, Afghanistan is going through a very difficult period and the Government and the people of Afghanistan need all our sympathy and support to tide over these difficulties. In my discussions with the President of Afghanistan, I did raise this question and they, the thinking segment of the Afghan public opinion, do recognise that it was very sad that this incident of destruction of the Bamiyan Buddha took place when Talibans were in power.

Mr. Chairman: Dr. Chandan Mitra.

Dr. Chandan Mitra: Thank you, Mr. Chairman, Sir. I have a very simple question again. Given the state of affairs in Afghanistan, I would like to know from the Government whether there was any great hurry in admitting Afghanistan into SAARC at this stage when the control of the Government in Kabul does not seem to run in large parts of that country. And will the membership on SAARC help the transportation of Indian goods to Afghanistan which Pakistan is still not allowing through the land routes?

Dr. Manmohan Singh: Mr. Chairman, Sir, as regards the transportation of Indian goods using the transit facility in Pakistan, that's a matter we have raised with Pakistan and I know Pakistan itself has been raising this matter. Therefore, this has no connection with Afghanistan's membership of SAARC. All countries of the SAARC were agreed that it would be good that Afghanistan which has traditionally been part of South Asia did become a member of SAARC.

Mr. Chairman: Dr. Karan Singh.

Dr. Karan Singh: Mr. Chairman, Sir, it's certainly most welcome that after having been cut off as a result of the barbaric Taliban Government for so many years, Afghanistan is once again joining the civilised community of the world and it is welcome that they are coming to SAARC. I have a question. Sir, the South Asia would only be complete SAARC when we have Afghanistan and Burma because it is then only that the geographical parameters will be complete. Is there any move or has there been any request for Burma's inclusion in SAARC? And if such a request is received, what would be the attitude of the Government of India?

Dr. Manmohan Singh : Mr. Chairman, Sir, there is no proposal as of now for Myanmar to be a member of SAARC. Myanmar is already a member of the ASEAN. And, therefore, I think, Myanmar's membership of SAARC is a hypothetical issue. With India, Myanmar is also a member of BIMSTEC. And, therefore, there are several opportunities for us to interact with Myanmar in the forum of BIMSTEC.



098. Message by Minister of State E. Ahamed on the occasion of SAARC Charter Day.

New Delhi, December 9, 2005.

Following is the full text of the message:

"It gives me immense pleasure to convey my felicitations to all fellow South Asians on the occasion of 20th anniversary of the South Asian Association for Regional Cooperation (SAARC).

The Thirteenth SAARC Summit held recently in Dhaka was an outstanding success. It has created a positive perception of the organization, both within the region and beyond.

We are happy that several new initiatives are proposed to be implemented jointly on a region-wide basis, including in the sectors of health, education, agriculture, civil aviation and culture.

On the occasion of this anniversary, we need to re-dedicate ourselves to working towards achieving the further objectives of bringing together the people of the region, to promote understanding and cooperation and to share responsibility for the social and economic upliftment of the region. Our goal is the eventual establishment of a South Asian Economic Union, which will integrate our economies together in a partnership of peace and prosperity.

India is fully committed to the SAARC process and will continue to work with all SAARC member states for realizing the Charter goals and objectives."



099. Press release issued by the Ministry of Commerce on the Cabinet clearing the Implementation of South Asia Free Trade Agreement.

New Delhi, December 29, 2005.

The Cabinet today cleared the implementation of the South Asia Free Trade Area (SAFTA) with effect from 1st January, 2006. Announcing this, Shri Kamal Nath, Union Minister of Commerce & Industry, said that the coming into force of SAFTA would be a historic milestone in the economic profile of the countries of the SAARC region. "Implementation of SAFTA will further strengthen our trade relations with the SAARC countries", he said.

The SAFTA was signed by all SAARC countries during the SAARC Summit held in Islamabad on 4-6 January, 2004 and the Cabinet had thereafter accorded approval for the SAFTA Framework Agreement in its meeting held on 20th January, 2004. The Agreement stipulated that SAFTA would enter into force from 1st January 2006, upon completion of formalities including ratification by all the Contracting States and issuance of notification by the SAARC Secretariat. The completion of these formalities included completion of negotiations on Rules of Origin, Sensitive List, Mechanism for Compensation of Revenue Loss for Least Developed Contracting States and Technical Assistance to Least Developed Contracting States in agreed areas. Since the signing of the Agreement, Committee of Experts (COE) had twelve meetings including the last one held on 29th November – 1st December 2005 and finalised all the four Annexes to the Agreement. For implementation of SAFTA, four Annexes had to be attached with the Agreement and, today, the Cabinet has accorded approval on all these issues.

The basic objective of SAFTA is to reduce existing tariffs within the stipulated time frame in order to boost trade among the member countries of SAARC, namely, Bangladesh, Sri Lanka, Nepal, Pakistan, Bhutan, Maldives and India. At the same time, the sensitive tariff lines relating to agro-commodities have been kept in India's Sensitive List (Negative List) under SAFTA. This means on items under Negative List, Trade Liberalisation Programme (TLP) under SAFTA would not be applicable.

The salient features¹ of these four issues approved by the Cabinet are as follows:

i) Rules of Origin (ROO):

Under ROO, for giving preferential access to the Member Countries under SAFTA, the goods have to undergo substantial manufacturing process in the exporting countries. The substantial manufacturing processes are defined in terms of twin criteria of Change of Tariff Heading (CTH) at four-digit Harmonized Coding System and domestic value content of 40% for non-LDCs and 30% for LDCs. Apart from this general rule, Product Specific Rules (PSR) have also been provided for 191 tariff lines on technical grounds where both inputs and outputs are on the same four-digit HS level.

ii) Sensitive List:

As per the Agreement of SAFTA, Trade Liberalization Programme (TLP) would not apply to the tariff lines included in the Sensitive List. In order to protect interest of its domestic stakeholders, India has finalized two separate Sensitive Lists – a longer list for non-LDCs (Pakistan, Sri Lanka) and a shorter list for LDCs (Bangladesh, Bhutan, Maldives and Nepal). India has kept 884 tariff lines in the Sensitive List for non-LDCs and 763 for LDCs. India's Sensitive Lists include mainly goods from agriculture sector, textile sector, chemicals & leathers and sectors reserved for small scale industries. On the market access to Bangladesh, Bangladesh was not happy with our Sensitive List which included 185 tariff lines out of 234 tariff lines in Chapters 61 & 62 of garments and hence in order to give a limited market access through Tariff Rate Quota (TRQ), the Cabinet has

1. Speaking on the importance of SAFTA at the forum of the Punjab, Haryana and Delhi Chambers of Commerce on December 10 on the theme of "13th SAARC Summit: The Road Ahead", the Foreign Secretary said the success of SAFTA depended largely on putting in place adequate intra-regional infrastructure by member-nations and asked the neighbours to see it (India) as an "opportunity" and "not a threat". He emphasized the need for the South Asian countries to integrate and work together despite "political divisions" to exploit the economic complementarities for the overall benefit of the region. He underlined the need for establishing inter-connectivity among the countries of the region including restoration of the severed links of India with Pakistan and Bangladesh to reap the benefits of SAFTA. Foreign Secretary Shyam Saran while asking the neighbours of India to shed their fears, he acknowledged that the asymmetry of India's size, as compared to other countries of the region gave rise to "anxiety" and "apprehensions" but reminded them that in today's world regional association was important and as such, India should be seen as an opportunity and not a threat. "If we want to see South Asia becoming a power house, which we all want,

decided to accord 6 million pieces of fabrics with the condition that sourcing of fabrics should be either from India or of Bangladesh origin. The Cabinet has also accorded approval of TRQ of 2 million pieces without any conditions of sourcing of fabrics.

iii) Mechanism for Compensation of Revenue Loss (MCRL) for Least Developed Contracting States (LDCs):

The 10th SAARC Summit had mandated that Treaty on SAFTA should provide an equitable distribution of benefits of trade to all States specially for smaller and least developed countries including MCRL. Accordingly, Agreement on SAFTA provided for compensation of revenue loss to LDCs who suffer from loss of customs revenue due to the implementation of Trade Liberalization Programme (TLP) under this Agreement. The compensation to LDCs except to Maldives will be available for four years and to Maldives for six years. The compensation shall also be subject to a cap of 1%, 1%, 5% and 3% of customs revenue collected on non-sensitive items under bilateral trade in the base year. However, the extent of compensation shall not apply in case of claims of compensation by Maldives from India in the event of loss of revenue being higher than the above annual ceilings.

iv) Technical Assistance to Least Developed Contracting States in agreed areas:

In order to promote capacity building in LDCs, non-LDCs would provide technical assistance in some of the agreed areas like capacity building

there needs to be inter-connectivity. Unless there is inter-connectivity within the region, connectivity with the world will not bear much benefits," the Foreign Secretary said emphasizing that integration within South Asia was essential if the region wanted to benefit from globalization. Mr. Saran referred to India's linkages with Pakistan and Bangladesh, which existed before partition and the creation of Bangladesh in 1971. "We have not been able to regain and reestablish all of those old links." Noting that tremendous economic complementarities existed in South Asia, Saran said the "limited opening" with Pakistan lately had demonstrated the huge demand for trade and commerce. Mentioning in particular the success of the Pakistan Trade Fair in Amritsar recently, he called for the two countries to hold more such events as "the region had great advantages; it was geographically compact; and it had a shared history, obvious cultural affinities and shared legacy." "The South Asian countries" he emphasized "should build upon these assets which join us even while political divisions remain. No body is trying to erase these political divisions. These political divisions, over a period of time, can become less and less relevant." Mr. Saran said Prime Minister Manmohan Singh and President Pervez Musharraf held a similar vision as they talked about making boundaries irrelevant.

in standards, protect certification, training of human resources, data management, institutional upgradation, improvement of legal systems & administration, customs procedures & trade facilitation and market development & promotion.

3. Besides the above, the Cabinet has also given approval of the following:

- a) MFN (Most Favoured Nation) applied rate existing on 1st January, 2000, would be taken as base rate for the purpose of tariff reduction;
- b) In order to adopt a uniform date of Tariff Liberalisation Programme, India would bring out the customs notification from 1st July, 2006.
- c) India's total trade with SAARC countries was valued at US \$ 5205.57 million (US \$ 5.2 billion) in 2004-05.



(iii) COUNTRIES OF THE SAARC

BANGLADESH

100. Joint press statement issued at the end of talks between the Minister of Energy and Mineral Resources of Bangladesh and Minister of Petroleum and Natural Gas of India to promote bilateral energy cooperation.

Yangon (Myanmar), January 13, 2005.

The State Minister for Energy and Mineral Resources of Bangladesh, H.E. Mr. A. K. M. Mosharraf Hossain and the Minister for Petroleum and Natural Gas and Panchayati Raj of the Republic of India, H.E. Mr. Mani Shankar Aiyar, met in Yangon, Myanmar, on 12-13 January, 2005 on the occasion of the Tripartite Conference¹ called in Yangon by the Government of the Union of Myanmar to discuss cooperation in developing regional energy resources and infrastructure.

2. On the sidelines of the Tripartite Conference, the Bangladesh Minister raised with the Indian Minister the following issues relating to bilateral cooperation between the People's Republic of Bangladesh and the Republic of India:-

- (i) Transmission of hydro-electricity from Nepal and Bhutan to Bangladesh through Indian territory;
- (ii) Corridor for supply of commodities between Nepal and Bhutan and Bangladesh through Indian territory; and
- (iii) To take necessary measures to reduce trade imbalance between the two countries.

1. See Document No. 101.
(Very little progress could be registered on the proposed gas pipeline in the coming months. When the Minister of Petroleum Mani Shankar Aiyar visited Dhaka in September after meeting the Bangladesh Foreign Minister Morshed Khan Aiyar said "my impression is that things are moving forward". He said Bangladesh had the potential to contribute to creating energy security in the Indian subcontinent. "Every one in the region is looking to creating energy security and Bangladesh has the energy potential", he said. Aiyar termed his meeting with his counterpart as satisfactory and positive. In his meeting with the Bangladesh Prime Minister Begum Khaleda Zia on September 5, Aiyar offered to have Bangladeshi personnel trained at the Indian Institute of Petroleum, Dehra Dun. Begum Khaleda responded positively to the suggestion.)

3. In respect of the above issues, the Indian Minister stated as follows:-
- (i) With regard to Bangladesh's request for the provision of electricity facilities from Nepal and Bhutan to Bangladesh, the Indian Minister agreed that the Government of India would examine positively any fresh proposals received from Bangladesh in regard to examining required facilities.
 - (ii) In regard to Bangladesh's request for transit facilities to Bhutan and Nepal through India between Bangladesh on one side and Bhutan and Nepal on the other, the Indian Minister conveyed that the Government of India supported this request. He pointed out that some facilities had already been provided at Phulbari which at present were not being fully utilized. He conveyed that the Government of India would favorably examine any further requests that might arise to augment existing facilities.
 - (iii) With regard to Bangladesh's request for rectifying the imbalance of trade, the Indian Minister agreed with the need to expand bilateral trade between the two countries in order to bridge the trade gap that exists at present. Projects such as proposed at the Trilateral Conference will contribute to this objective.
4. The Indian Minister accepted the kind invitation of the Bangladesh Minister to visit Bangladesh in the near future.



101. Joint press statement (Trilateral - between Minister for Energy of Myanmar, Minister of Energy and Mineral Resources of Bangladesh and Minister of Petroleum and Natural Gas of India) regarding export of gas from Myanmar to India through a pipeline via Bangladesh.

Yangon, January 13, 2005.

1. Substantial natural gas reserves have been found in offshore and on-shore structures, including the North Eastern blocks of the Bay of Bengal off the coast of Myanmar. In addition, sizeable quantities of natural gas reserves have been found in on-shore structures in the North Eastern regions of Bangladesh and India as also on-shore in Myanmar. The speedy implementation of development programmes by all the Governments of the region and accelerating economic growth is boosting a huge market for natural gas in the region requiring the regional development of energy sources and infrastructure for the delivery of the gas to consuming centres. In concert with parallel developments in other segments of the power and energy sector, a new era of cooperation is opening up for the countries of the region.

2. To harness this win-win opportunity, the Honorable Minister for Energy of Myanmar, H.E. Brig. Gen. Lun Thi took the initiative to convene a Tripartite Ministerial Meeting between himself, the State Minister for Energy and Mineral Resources of Bangladesh, H.E. Mr. A.K.M. Mosharraf Hossain, and the Minister of Petroleum and Natural Gas and Panchayati Raj of the Republic of India, H.E. Shri Mani Shankar Aiyar, in Yangon, on 12-13 January, 2005.

3. The following was agreed to by the three Governments¹:-

(i) The Government of Myanmar agrees to export natural gas to India by pipeline through the territory of Bangladesh and India to be

1. A press report from Dhaka on April 6 suggested that the Director – General in the Energy Ministry of Myanmar Soe Myint in a letter to Bangladesh proposed signing a Memorandum of Understanding on the planned India – Myanmar – Bangladesh gas pipeline on April 20 – 21, 2005. However leading Bangladesh dailies quoting official sources in Dhaka said Dhaka was not ready to sign the document as yet, as New Delhi so far had failed to address the concerns of Bangladesh on certain bilateral issues. It may be pointed out that the MOU was drafted by the technical committee of the three countries, which was formed in January and held its first meeting on February 24 when the draft was put in shape.

operated by an international consortium as may be agreed upon by the parties concerned, based upon technical and commercial feasibility. The Governments of Bangladesh and India reserve the right to access the pipeline as and when required, including injecting and siphoning off their own natural gas; details in this regard will be worked out on the basis of commercial agreements. The route of the pipeline may be determined by mutual agreement of the three Governments with a view to ensuring adequate access, maximum security and optimal economic utilization.

- (ii) The Governments of Bangladesh, India and Myanmar, represented by their respective Ministers and delegations, recognizing the unique potential for developing energy resources and related infrastructure needed to access and deliver energy to various parts of the region, agree to set up an appropriate mechanism for cooperation between and among themselves to pursue their common goal of development for all the people of the region.
 - (iii) The Governments of Bangladesh, India and Myanmar agree to establish a Techno-Commercial Working Committee comprising duly designated representatives of the three Governments. The Working Committee shall:
 - (a) identify areas of cooperation, collaboration and investment to develop natural gas resources, infrastructure and marketing in the region; and,
 - (b) deliberate and advise the three Governments on policy issues as set out in Para 3(i) above such as pipeline routing, access-related issues as well as technical and commercial matters.
 - (iv) The first meeting of the Committee will be held in Yangon within a month with a view to preparing a draft Memorandum of Understanding which will be concluded and signed at Dhaka at the earliest mutual convenience of the three Governments.
4. The Governments of Bangladesh, India and Myanmar agree to pursue both trilateral and bilateral cooperation to promote, develop and implement projects and forums to augment the utilization and development of energy resources and related infrastructure in the region.

5. The Governments of Bangladesh, India and Myanmar agree to exchange relevant information to jointly promote energy surveys; develop upstream, downstream and other energy-related projects; and jointly recommend measures for the development and expansion of access to energy for the benefit of people of the region.

6. The Governments of Bangladesh, India and Myanmar agree to continue keeping contact with each other at the Ministerial level and to meet both trilaterally and bilaterally at regular intervals in order to update each other on the measures being taken relating to the development of activities in their respective countries in regard to natural gas and, more generally, the power and energy sector.

7. With respect to issues of bilateral cooperation which impinge on their trilateral cooperation, such as hydroelectricity and other diversified sources of energy supply, trade and transit, the Ministers of the three countries agreed that such bilateral issues will continue to be pursued bilaterally. In this context, they agreed to recommend to their respective governments the importance of evaluating issues relevant to bringing their nations closer to each other by establishing policy frameworks which will augment practical measures for further economic cooperation and collaboration among themselves. The Ministers further noted that energy cooperation is being promoted within the framework of initiatives in BIMSTEC and SAARC and agreed that these initiatives need to be pursued vigorously.

8. The Ministers of Bangladesh and India place on record their high appreciation of the leadership as well as hospitality and cooperation extended by H.E. Brig. Gen. Lun Thi, Minister for Energy of the Government of the Union of Myanmar, in convening this historic Tripartite Ministerial Meeting in Yangon.



102. Press release of the Ministry of External Affairs on the killing of the former Finance Minister of Bangladesh Shah Abu Mohammad Shamsul Kibria.

New Delhi, January 28, 2005.

We have seen press reports that former Finance Minister of Bangladesh, Shah Abu Mohammad Shamsul Kibria, MP, was killed, along with his nephew, Shah Manjurul Huda, and three others in an explosion at a political rally in Habiganj district on 27th January 2005. Mr. Shah AMS Kibria was a well-known figure in India. His work as the Finance Minister of Bangladesh and the Executive Secretary of ESCAP had won him many friends and admirers all over the world. PM and EAM have written to Mrs. Asma Kibria conveying their deep condolences on the tragic death of Mr. Kibria. All right-thinking people must join in condemning such violent acts of terrorism, which constitute a direct attack on the fabric of democracy that the people of Bangladesh are striving to create for themselves. The perpetrators must be identified and due justice seen to be meted out.



103. Letter of External Affairs Minister K. Natwar Singh to Sheikh Hasina Wajid expressing shock at the grenade attack on the Awami League Rally.

New Delhi , January 30, 2005.

Excellency,

I am writing to express the deep shock of the Government of India and my personal sorrow at the consequences of yet another grenade attack on a political rally of the Bangladesh Awami League. This act of political terrorism has not only snatched the life of distinguished Bangladeshi citizen, former Finance Minister S.A.M.S. Kibria, it also threatens participation of the ordinary citizens in the institutions that democracies create and nurture.

India condemns this mindless act of violence and hopes that the perpetrators will be traced and held to account.



104. Memorandum of Understanding between The Government of India and The Government of the People's Republic of Bangladesh regarding utilization of funds for Flood Relief Assistance.

New Delhi, February 11, 2005.

The Government of India (GOI) has decided to extend Indian Rs. 100 crores as flood relief assistance to the Government of the People's Republic of Bangladesh (GOB). The two Governments have agreed to utilize this assistance in the following manner:

- i. GOB will source commodities from India, as may be required for flood relief operations, subject to their availability in India and the rules and regulations pertaining to their export at the time of procurement. However, the total cost of commodities, including their freight charges, will not exceed Indian Rs.100 crores. GOB may utilize the sum before March 31, 2006. GOB would provide a breakup of the commodities they require to GOI.
- ii. While sourcing these commodities from India, GOB will follow its own procurement procedures and will select the supplier(s), in consultation with GOI.
- iii. Government of India will pay to the Indian supplier(s) the CIF value of the commodities procured .by GOB under this MOU. In this regard, the Government of India will specify the payment procedure as early as possible, in consultation with the GOB.
- iv. GOB will either pay or exempt payment of duties and taxes relating to import of any commodity under this MOU.
- v. The export of goods from India and their import into Bangladesh shall take place through normal channels subject to the laws and regulations in force in both countries. The terms and conditions including price and quality shall be settled between the exporters in India and the importers in Bangladesh through GOB.
- vi. Any dispute or difference arising out of or in connection with this MOU shall be settled amicably through diplomatic channel.

- vii. This MOU will come into force on the date of its signing and will expire on March 31, 2006.

Signed on 11th February 2005 at New Delhi.

Authorized Representative of
the Government of India

Authorized Representative of
the Government of the People's
Republic of Bangladesh

Shyam Saran
Foreign Secretary
Government of India

Hemayetuddin
High Commissioner for the
Peoples' Republic of Bangladesh



105. Press release of the High Commission of India in Bangladesh expressing concern at the highly exaggerated reports in Bangladesh media on the fence along the India – Bangladesh border.

Dhaka, March 16, 2005.

The High Commission of India has been concerned to see the highly exaggerated and inaccurate accounts being reported in the Bangladesh media regarding the on-going construction by BSF of a fence along the Bangladesh India border.

2. The Government of Bangladesh is well aware that this fencing work by BSF has been underway since 1989. All activities relating to the building of the fence are being carried out entirely on the Indian side of the border. For the most part the fence is located at or beyond 150 yards from the zero-line. However, in specific areas due mainly to the existence of villages, or as necessitated by terrain conditions, the fence has to be built within 150 yards. The BSF has offered to keep the BDR informed as and when construction of the fence is planned for execution in those stretches falling within 150 yards from the zero-line. The Government of India has formally conveyed to the Government of Bangladesh details of villages, houses and population falling within 150 yards of the zero line.

3. India greatly values its close and friendly relations with Bangladesh . The Government of Bangladesh is well aware of the Government of India's concerns regarding the illegal and criminal activities on the border, including large-scale smuggling, trafficking of women and children, narcotics trafficking, smuggling of arms and explosives, infiltration, illegal migration, etc. The Government of India has on numerous occasions conveyed to the Government of Bangladesh that building a fence will help both countries to better manage our long and highly porous border, thereby contributing to the further strengthening of bilateral relations. This was reiterated most recently during the Home Secretary-level talks held in Dhaka in September 2004.

4. India has also consistently conveyed that the 1975 border guidelines are only guidelines, which relate to the demolition of defensive structures. They do not apply to the building of a fence, which is a physical barrier intended to put a stop to smuggling and other illegal movement across the border. The fence has no defense potential whatsoever. India believes that a misinterpretation of the 1975 Border Guidelines, which were drawn up in a spirit of friendship and understanding to guide the two forces, is stalling legitimate development activity.

5. In this context, it maybe recalled that India did not raise any objection to a request from Bangladesh , made in 1999, to construct a 1320 feet long x 10 feet high masonry wall along the Hilli Railway Station, within only a few feet from the zero line. India 's decision was guided by the spirit of friendship that exists between our two countries and with a view to enable the Bangladeshi authorities to check illegal trans-border movement and to contain criminal activities.

6. However, in carrying out this legitimate activity of building a fence, the BSF has been experiencing resistance from the Bangladesh side. This has led to occasional tensions caused by unprovoked firing by BDR along the border. Government of India has requested the Government of Bangladesh for full cooperation, including the issuance of necessary instructions to the Bangladesh Rifles to avoid any untoward incidents.



106. Press release issued by the Indian High Commission in Dhaka and repeated by the Ministry of External Affairs regarding the incident on the India – Bangladesh border at Akhaura and the killing of BSF Assistant Commandant.

Dhaka, April 17 and New Delhi, April 19, 2005.

The High Commission of India in Dhaka has been greatly surprised and deeply disturbed to see press reports on 17th April 2005 stating that a fierce gun-battle had erupted on the Akhaura border, during which, it is alleged, BSF personnel entered Bangladeshi territory at 1700 Hrs. on 16th April 2005 and opened fire on BDR, killing three Bangladeshi nationals.

In actual fact, some villagers reported to the BSF Border Outpost at Lankamura, Tripura, at 1630 Hrs. on 16.04.2005 that an Indian national, Ramdhan Pal, had been abducted and taken forcibly into Bangladeshi territory. Immediately BSF Company Commander Jeevan Kumar, Assistant Commandant, along with three others rushed to the spot and tried to talk to BDR personnel. Instead of peacefully resolving the problem, the BDR, who were accompanied by armed Bangladeshi civilians, started firing on the BSF party who were about 50 yards from the zero line, well within Indian territory, injuring Constable Venu Gopal.

DG, BSF, who was in Dhaka, consulted DG, BDR and it was decided that both sides should stop firing immediately. Accordingly, BSF stopped firing at 1900 Hrs. Unfortunately, BDR continued intermittent fire, including with automatic weapons, until 2120 Hrs.

A meeting was held between CO 131 Bn BSF and CO 7 R Bn BDR at 2045 Hrs. and the matter jointly verified. After a prolonged search Constable K.K. Surendran was found inside Bangladesh territory with serious multiple injuries. The body of Assistant Commandant Jeevan Kumar bearing marks of bullet injury fired from point blank range and injuries from sharp cutting weapons, was also found inside Bangladeshi territory.

From the marks on the ground, the spot enquiry established that Assistant Commandant Jeevan Kumar and Constable K.K. Surendran were dragged inside Bangladesh territory and attacked by the BDR, resulting in

the death of the Assistant Commandant. The entire incident appears to be pre-planned and pre-meditated, as the BDR had opened fire on the BSF party without any provocation whatsoever.

DG, BSF, while speaking to Indian media on departure, has strongly condemned this incident, describing it as a cruel and provocative act, taking place as it did during the on-going talks between DG, BDR and DG, BSF in Dhaka.

The Government of India unequivocally condemns the brutal killing of the BSF Assistant Commandant by the BDR. This is highly reprehensible and not in keeping with the spirit of dialogue and mutual understanding sought to be created by the just concluded talks between DG, BSF and DG, BDR¹.



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1. On April 19 the Official Spokesperson of the Ministry of External Affairs Navtej Sarna told a press briefing that "the acting-High Commissioner of Bangladesh in Delhi was called in by Joint Secretary (BSM) Mrs. Nilma Deo in the Ministry of External Affairs on 18th April to convey India's strong protest over the killing of BSF commander. She conveyed "our deep disappointment and regret over this incident and stated that its repercussions could not be ignored." She also conveyed the view that "the entire incident appeared premeditated and pre-planned." Meanwhile the Minister of State in the Home Ministry Sriprakash Jaiswal told the press on April 19 that the government hoped that Bangladesh would initiate action against the BDR personnel responsible for the BSF assistant commander's brutal killing. A BSF spokesperson told the media that "Bangladesh is investigating into our complaint. An inquiry has been initiated by the Bangladesh Rifles itself." Meanwhile the BSF on April 16 said that BDR helicopter had violated the Indian air space the previous day and that the BDR troops had dug trenches and intensified patrolling on the border in Tripura. According to the BSF, the BDR helicopter flew over Chotakhil in Sabroom subdivision of Tripura as also in Magrum and Beltoli areas along the international border. On the other hand the BDR charged the BSF of violating Bangladesh airspace on April 18, which was denied by the BSF as "totally false and baseless." It may be mentioned that of the 4,095-km border between the two countries, 856-km runs along the State of Tripura. On April 19 Bangladesh Minister of State for Home Affairs H.E. Md. Ufuzzaman Babar telephoned Union Home Minister and expressed regret over the death of Assistant Commandant Jeevan Kumar. He also conveyed that Dhaka has ordered an enquiry into the incident of firing by BDR forces on BSF personnel in the Agartala sector on Saturday, 16 th April 2005. Stern action would be taken against those involved in the incident. Meanwhile BDR Director General Jahangir Alam also telephoned DG BSF and assured that BDR was keen to defuse the tension and suggested joint patrolling by the two forces. DG, BSF reiterated that BDR must exercise restraint. On Monday, 18 th April 2005, Veena Sikri, High Commissioner of India to Bangladesh, called on Sarwar Hossain Mollah, Acting Foreign Secretary, Government of the People's Republic of Bangladesh, to convey the Government of India's strong condemnation of the incident.

107. Media briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meetings with the Foreign Minister of Bangladesh Morshed Khan on the sidelines of the Afro - Asian Summit.

Jakarta, April 23, 2005.

Minister of External Affairs Shri K Natwar Singh had a one-on-one bilateral meeting with H.E. Mr. Morshed Khan, Foreign Minister of Bangladesh on the sidelines of the Asian-African Summit in Jakarta on April 23, 2005. The meeting was held in a cordial atmosphere. Both Ministers discussed the entire gamut of bilateral issues. EAM reiterated India's commitment for a sustained and constructive engagement with Bangladesh to resolve all outstanding issues. The issue of rescheduling the SAARC Summit in Bangladesh was raised by the Bangladesh Foreign Minister. EAM made it clear that India would accept any suitable date proposed by Bangladesh for the Summit provided it was acceptable to the other five SAARC member-States.



108. Joint press statement issued on the occasion of Foreign Office Consultations between India and Bangladesh.

New Delhi, June 22, 2005.

The Foreign Secretary of Bangladesh Mr. Hemayetuddin visited New Delhi from June 20-23, 2005 at the invitation of Indian Foreign Secretary Mr. Shyam Saran for Foreign Office Consultations. During his stay in New Delhi, the Foreign Secretary of Bangladesh called on H. E. Mr. Shivraj Patil, Union Home Minister, H.E. Mr. Kamal Nath, Minister of Commerce & Industry, H.E. Mr. Mani Shankar Aiyar, Minister of Petroleum & Natural Gas, and H. E. Mr. E. Ahamed, Minister of State (External Affairs). During the meetings, both sides highlighted the importance they attach to their bilateral relations and their sincere desire to further expand, deepen and strengthen their cooperation.

2. During the Foreign Office Consultations, the Bangladesh Foreign Secretary was accompanied by Mr. Liaquat Ali Chowdhury, High

Commissioner (Designate), Mr. Masud Bin Momen, Acting High Commissioner of Bangladesh, Mr. Fazlul Karim, Director-General (South Asia), Mr. Mohammad Mohsin, Joint Secretary, Ministry of Home Affairs, Mr. Elias Ahmed, Joint Secretary, Ministry of Commerce as well as other officials of the Government of Bangladesh. The Indian Foreign Secretary was assisted by Smt. Veena Sikri, the High Commissioner of India to Bangladesh, Smt. Neelam Deo, Joint Secretary (BSM) and senior officials of various Ministries and Departments of the Government of India. Representatives from the State Governments of Assam, Meghalaya, Mizoram, Tripura and West Bengal, also participated.

3. The two Foreign Secretaries discussed issues relating to security, peaceful management of the borders, cross border illegal movement of people, cooperation in water resources, economic and trade cooperation, investment promotion, cooperation in science and technology and agriculture, defence exchanges and cultural relations. The open and frank discussions on matters of common interest were held in an atmosphere of warm friendship and cordiality, which characterizes the bilateral relationship.

4. During the talks the two sides reaffirmed their commitment not to allow their territory to be used for any activities inimical to each other's interests. The Indian side expressed its appreciation for recent actions taken by Bangladesh in the border areas. The Indian side stressed the importance of continued action, consular access and the need for regular exchange of information in this regard. In this context, the Bangladesh side also stressed the need for action against Bangladeshi miscreants and providing consular access.

5. The two sides expressed satisfaction over the commencement of coordinated patrolling by the border forces of the two countries. The Bangladesh side agreed to examine the Indian proposal for coordinated patrolling of the riverine boundary where feasible.

6. Regarding illegal cross border movement and activities, the Indian side reiterated its proposal for a high level meeting on this issue.

7. The Indian side emphasized its requirement for border fencing within and up to 150 yards of the international border. Bangladesh side stressed on the need to conform to the 1975 border guidelines and avoid any action that may impact adversely on the peace and stability in the border areas.

Both sides agreed to facilitate repair and development works along the India-Bangladesh border.

8. The two sides look forward to the early conclusion of the Treaty on Mutual Cooperation for Preventing Illicit Trafficking in Narcotics and Psychotropic Substances.

9. Both sides agreed to strengthen measures to combat trafficking in women and children. India's proposal to appoint nodal officers to deal with this issue was noted by Bangladesh.

10. Both sides emphasized the need for early convening of the Home secretary level talks to discuss the entire range of issues under their purview and carry forward the process of co-operation between the two countries in a constructive and positive manner.

11. The two sides agreed to continue discussions to expedite completion of the demarcation of the land boundary. It was decided to resume meetings of the Joint Boundary Working Groups (JBWG) to consider boundary-related issues in August 2005. Both sides agreed to address the issues related to exchange of enclaves and territories in adverse possessions as early as possible with the view to mitigating the sufferings of the people. The Indian side stressed the need for the early conduct of the joint census in the enclaves and adverse possessions.

12. The two sides discussed sharing of the common rivers and agreed to carry on dialogue in this regard. In response to concerns raised by Bangladesh Foreign Secretary over the Indian River Linking Project, the Indian Foreign Secretary stated that India would not take any unilateral action, which would harm the interest of Bangladesh. Both sides stressed the need for convening the Joint Rivers Commission in Dhaka at a mutually convenient time at the earliest. It could be preceded by a meeting of the Secretaries of Water Resources Ministries.

13. The two sides expressed satisfaction at expanding economic and commercial cooperation. The Indian side conveyed its sincerity to address Bangladesh's concerns on the trade deficit, including through measures such as the removal of non-tariff and para-tariff barriers. In this context, the Indian side reiterated the importance of measures such as free trade agreements as well as border trade and establishment of border haats.

14. Bangladesh welcomed the proposed visit by the Indian Minister for Commerce and Industry to Dhaka. They agreed that the revised Trade Agreement could be signed at an early date. It was also agreed that the bilateral Joint Working Group on Trade, para-tariff and non-tariff barriers and on customs matters should meet by August 2005.
15. The two sides expressed their satisfaction that the text of the Bilateral Investment Protection and Promotion Agreement (BIPPA), acceptable to both the countries, is ready for signature at a suitable occasion.
16. The two sides discussed issues relating to improved connectivity in the region. They agreed to explore the possibility of commencing Dhaka-Guwahati, Dhaka – Shillong, Dhaka – Siliguri bus services. Bangladesh side also requested India to facilitate a Dhaka-Kathmandu bus service. Issues relating to improvement of road and rail connectivity between the two countries were discussed.
17. The Indian side invited a Bangladeshi delegation to visit in July '05 to continue discussions on the extension of a US\$ 150 million Line of Credit for infrastructure projects.
18. Both sides discussed matters relating to the tri-nation gas pipeline and agreed to carry forward further discussions in this regard.
19. The two sides agreed to increase cooperation in the fields of agriculture and science & technology. The Indian side offered increased training slots in India under its Indian Technical & Economic Cooperation (ITEC) Programme, including at its Institute for Training of Highway Engineers.
20. The two sides expressed satisfaction that a draft cultural exchange programme had been agreed upon and could be signed shortly.
21. The two sides stressed the importance of high level exchanges, including visits by Parliamentary delegations.
22. The two sides exchanged views on regional and international issues, including India's candidature for permanent membership of the Security Council in the context of the reform of the UN.
23. The Indian Foreign Secretary mentioned that the Indian Prime Minister was looking forward to attending the forthcoming 13th SAARC

Summit to be held in Dhaka. Bangladesh Foreign Secretary stated that Bangladesh would welcome him warmly.

24. The Bangladesh Foreign Secretary deeply appreciated the warm welcome and gracious hospitality extended to him and his delegation during their stay in India.

25. The Bangladesh Foreign Secretary invited the Indian Foreign Secretary to visit Dhaka for the next round of the Foreign Office Consultations, which was accepted with thanks.

26. The meeting concluded with both sides committing to remain positively and constructively engaged with each other for further promotion of bilateral cooperation for the mutual benefit of the two peoples.



109. Statement of External Affairs Minister K. Natwar Singh on arrival in Dhaka.

Dhaka, August 6, 2005.

It gives me great pleasure to be here in Dhaka.¹ This is my first visit and I have long looked forward to visiting this historic capital.

1. On August 4 the Official Spokesperson Navtej Sarna told a media briefing in New Delhi that the visit of External Affairs Minister was taking place "in the context of our commitment to improve and strengthen our relations with neighbouring countries... It will also be an occasion for high-level political interaction between the two countries and will be a precursor to the visit of Prime minister for the 13th SAARC Summit scheduled to held in Dhaka in November later this year." Giving a background of the visit Sarna said: "Bangladesh Foreign Minister visited India twice in 2004, in May-June and November. Bangladesh Minister of Commerce and Minister of Finance and the Health Minister also paid visits during the last one year. From the Indian side Minister of Water Resources is likely to visit Bangladesh later in August and there are possible visits from the Minister of Commerce and Industry and Minister of Petroleum and Natural Gas. These invitations have been accepted in principle." Adding he said: "In terms of institutional dialogue also there has been an intensification over the last one year. Home Secretaries and Water Resources Secretaries met in September last year. Foreign Office Consultations were held in June this year and meetings between border forces i.e. Director Generals of BSF and BDR at the operational level are being held regularly. Bilateral trade was USD 1.6 billion in 2004-05. Discussions have been held under the aegis of Joint Working Groups on trade, para-tariff and non-tariff issues as well as the Joint Customs Group to address various measures for facilitating increase in the flow of trade." The Spokesperson answered some questions at the briefing and they were:
"Question: Before the SAARC Summit is there any possibility of Begum Khaleda Zia meeting

2. I have come at the invitation of my esteemed colleague and dear friend, Hon'ble Foreign Minister Morshed Khan. I am very happy to be able to reciprocate his visits to Delhi. My visit to Dhaka is part of our ongoing dialogue with our important and valued neighbour, Bangladesh.
3. I look forward to conveying the warm and cordial greetings of the Indian leadership to Her Excellency the Prime Minister of Bangladesh. We look forward to an early visit to India by the Hon'ble Prime Minister.
4. I shall be calling on the leader of the opposition and meeting other senior Bangladeshi leaders.
5. The Government of India attaches the highest importance to its relations with Bangladesh. During my meetings in Dhaka I will reaffirm this commitment and reiterate our willingness to continue and further the process

Prime Minister?

Answer: I have no indications at the moment of any such occasion coming up but these things happen fairly suddenly.

Question: Is the External Affairs Minister carrying a letter of invite to Prime Minister Begum Khaleda Zia?

Answer: I have not seen anything to that effect.

Question: Are there any agreements likely?

Answer: This is an overall bilateral visit at the Foreign Minister level which will cover a lot of issues but as far as (the question of) any formal agreement being signed (is concerned), we have no information on anything being expected on this.

Question: Anything on Bangladesh-Myanmar pipeline?

Answer: Well, that is a very important aspect of possible economic cooperation and even if I were to hazard a guess, I think it should be somewhere in the discussions.

Question: What is the position of Bangladesh on the G4 resolution?

Answer: We will continue to ask Bangladesh to give its fullest commitment and support to G4.

Question: Last time when India stayed away from the SAARC Summit, among the reasons was the deteriorating law and order situation in Bangladesh. Is EAM going to make an assessment of that?

Answer: I think Foreign Ministers do not make assessments of law and order situations. The Foreign Minister is going there for a very high level political visit which will cover bilateral relations and other issues of mutual interest. Naturally, he will be looking at all the issues that could be discussed between India and Bangladesh as a precursor to the SAARC Summit. I think his visit is a very important part of the buildup to the SAARC Summit. That is how I would like to categorize it.

Question: Specifically pertaining to terrorist camps in Bangladesh and the border dispute and fencing. Do you think that will be discussed?

Answer: I think that both the security issues as well as the fencing and related issues are matters which have been taken up several times at the highest level, ministerial level and other levels between India and Bangladesh. These are matters which require a constant review. So, though I do not have a point by point agenda, I am sure that when bilateral security issues are discussed, these matters will come up.

of sustained and constructive engagement, for the mutual benefit of our peoples. I will discuss the SAARC agenda.

6. I shall have extensive talks with my counterpart, Foreign Minister Morshed Khan. We will review the existing state of our bilateral relations and explore how we can further deepen and enlarge their scope. While we will address those issues on which we have differing perceptions we will focus on the enormous untapped potential for the mutual benefit of our peoples.

7. The Government and the people of India remain steadfast in their support to the people of Bangladesh and to promote our good relations, peace and mutual prosperity. In this era of globalisation India is also committed to friendly cooperation with Bangladesh in the regional and multilateral fora.



110. Opening remarks of External Affairs Minister K. Natwar Singh at the interactive session with the Intellectuals of Bangladesh.

Dhaka, August 7, 2005.

1. I am very pleased at this opportunity to interact with you. This is my first visit to the historic city of Dhaka. Listening to the call of the Muezzins on my way this afternoon, I recalled vividly references to Dhaka as the city of mosques. What I also saw were numerous high-rise buildings and gleaming commercial complexes, signs of the rapid economic strides that Bangladesh continues to make. This visit is helping me to become better acquainted with one of our closest neighbors, a nation with which we share not only a recent history of struggle against colonialism and the liberation of Bangladesh but also enduring feelings of fraternity and commitment to democracy, anchored in a common socio-cultural heritage. I sincerely hope that Bangladesh will continue on its democratic and liberal path to prosperity and play its due role on the world stage.

2. During my visit I have called on the Honorable Prime Minister. I have conveyed a message of greetings from Prime Minister Dr. Manmohan

Singh and an invitation to the Hon'ble Prime Minister Begum Khaleda Zia to visit India. I held useful discussions with my good friend and colleague, the Hon'ble Foreign Minister Morshed Khan and with Hon'ble Finance Minister Saifur Rahman. I have called on the Hon'ble leader of the Opposition, Sheikh Hasina. In these meetings, we discussed our bilateral relationship and exchanged views on both the regional and global situation. I have reiterated India's consistent desire to have close, friendly and cooperative relations with Bangladesh.

3. To understand India it is important to recognise the pride that we Indians take in our diversity as expressed in our democracy and constitution. Our extraordinary wealth of religious beliefs, languages and traditions could flourish only in a secular, democratic political system. Our frequent, free and fair elections have empowered the people, promoting openness and imbuing responsibility to our actions. We are seeking amendments to our Constitution to make our system more inclusive for example 33% of seats in village and municipal council elections are already reserved for women. We are on the verge of introducing a Women's Reservation Bill to extend their representation to Parliament and a National Rural Employment Guarantee Scheme to provide 100 days employment to, at least, one member of each impoverished family.

4. India and Bangladesh, both developing countries are engaged in efforts to improve the living standards of their respective people. Over the last 2 decades, India has grown at a steady average rate of about 6% per annum which we hope to take up to 8%. Bangladesh also has a successful experience in the empowerment of women and rural development which is of interest and can be instructive to other countries. The Indian and Bangladesh economies have certain complementarities and locational advantages, which can be exploited to mutual benefit.

5. Dialogue has always been the chosen path of India, where foreign policy has traditionally enjoyed a broad national consensus. I believe that, as two neighbours committed to democracy, the rule of law and liberal values, it is essential that we sustain the process of dialogue between ourselves. It is only through dialogue that solutions can be found even on issues that have been long outstanding. The process may be long drawn-out and achieving compromise may be difficult, but as two sovereign, multicultural and multi-ethnic democracies our endeavor, should at all times be to try and reach mutually beneficial outcomes through engagement.

6. Knowledge will be the primary impetus of the 21st century. Both our countries are well positioned to create knowledge based production systems and offer our skills to countries with a scarcity of English speaking computer literate young people. India has already acquired a brand image in information technology. Anyone can see that Bangladesh with its eager young population is poised to join the wave. That is why we have expanded our programme of giving scholarships to students to study in India and Bangladesh, training teachers in computer skills and gifting computers as our modest contribution to the knowledge economy of Bangladesh.

7. Both India and Bangladesh have adopted a 'look East' policy. For the success of India's 'look East' policy cooperation of Bangladesh is critical, as are the advantages to Bangladesh. Access to the large Indian market, revenue from transit fees and increasing Indian investment in Bangladesh would stimulate your economy. We are already investing in transport links with Myanmar and, through Myanmar to ASEAN and the dynamic economies of East Asia. It is a truism that even sub-optimal transport linkages have a way of becoming permanent once sufficient investment has been committed.

8. Energy security is another area where our two countries can cooperate fruitfully. The sale of gas to India is a sovereign decision for the government of Bangladesh to make on its economic merits. The Myanmar-Bangladesh-India gas pipeline can be a win-win project if we can approach it constructively and on its own economic merits.

9. Terrorism is a curse that threatens democratic and open societies. Solutions to seemingly intractable differences can be found within a democratic framework, by honest dialogue conducted in a constructive framework, without resort to violence, political intimidation or the tactics of terror. The threat posed by terrorism can only be confronted and eradicated when open and democratic societies cooperate. As the Indian Prime Minister Manmohan Singh said recently, "We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere".

10. We must create a positive and constructive environment conducive to economic cooperation to the benefit of our region. We seek sensitivity to our security concerns arising out of the misuse of territories for cross-border terrorism and hostile activity against India by insurgent and secessionist groups. We must work together to ensure that no person or group that espouses or uses the tactics of terror finds shelter or succor from any part

of our land or amongst our peoples. We must both declare our firm commitment to this principle and take steps to establish the required legal framework to enforce them at the earliest¹.

11. I feel that together we can unleash the immense talent and energies of our people, and put behind us the differences and misunderstandings of the past. Each one of you is making valuable contributions in your chosen fields of expertise. I am interested in your unique perceptions of our multifaceted relationship and ideas on what we can do to further strengthen India Bangladesh relations and ensure prosperity and peace in our region.



111. Remarks of External Affairs Minister K. Natwar Singh at Liberation War Museum.

Dhaka, August 7, 2005.

Honourable Trustees of the Liberation War Museum, Air Vice Marshal A.K. Khondaker, Maj-Gen. Shafiullah, Maj-Gen. C.R. Dutta and other heroes of the Liberation War of Bangladesh, Ladies and Gentlemen,

I am very pleased to have the opportunity to visit this historic Museum. I congratulate the Hon'ble Trustees and all others who are working tirelessly to keep alive the invaluable memories of the Liberation War which created Bangladesh. I am deeply moved by the exhibits of photographs and memorabilia of the valiant freedom fighters.

The Bengali people struggled valiantly over the years until 1971 for the right to use their own language, culture and resources and to achieve

1. In this context Minister Natwar Singh told the Bangla daily *Jugantor* on August 7 that there "were considerable cross border crimes due to the porous nature of the border between the two countries and hence the need for a fence. He therefore underlined the need for India to go ahead with the fence along the border to curb smuggling, and control crimes and insurgent activities which posed a serious danger to the socio-economic institutions and security of the country. Alluding to his talks with the Bangladesh leaders the Minister said that both the countries shared the common objectives of ensuring peace and tranquility between the two countries. He told reporters at the end of his talks "India and Bangladesh had decided to remain engaged to overcome any obstacles to bilateral relations. A beginning has been made and talks on specific sectors will be continued during the upcoming visit of three Indian ministers to Bangladesh this year."

their own prosperity. Their indomitable spirit and unmatched courage resulted in the emergence of Bangladesh as a sovereign, secular and democratic republic in 1971. The Liberation War Museum serves as a memorial to the determination and bravery of the people of Bangladesh and India who fought shoulder to shoulder against repression, and genocide, which aroused the ire and sympathy of the entire world. This Museum is the result of commendable private initiative and enterprise and serves to remind Bangladesh of its heritage and of the values for which the 1971 Liberation War was fought.

The Trustees have done tremendous work to bring together from various sources the rare and valuable memorabilia of that violent struggle by the common people of Bangladesh against mindless atrocity and destruction committed in the name of religion, ethnicity and territorial integrity. As a member of the International Coalition of Historic Site Museums of Conscience, it is part of the network of thirteen museums around the world, from the United States to South Africa, which work together to caution humanity against the horrendous outcome of intolerance and repression by governments of the legitimate rights and demands of their people.

India will be happy to help in every way possible to support this invaluable institution. In particular, I would like to suggest that the entire collection of this museum be properly documented and made into a virtual, interactive museum on the worldwide web. This will make it accessible to freedom-loving people around the world. This will also be an effective use of information technology to bring to life for the younger generation of Bangladesh and abroad their unique heritage. We will also be happy to support the initiative of the Trustees to house this Museum in a new building and use innovative techniques to mount, exhibit and preserve the collection. We also welcome your interest in establishing reciprocal support systems with museums in India. We are happy to learn about your outreach programmes and hope that it will soon be possible for a travelling exhibition curated by the Liberation War Museum to undertake a tour of major cities in India.

We in India were deeply touched at the warm and spontaneous and emotional expression of remembrances in Bangladesh at the passing away of our retired Lt. Gen. Jagjit Singh Aurora in early May this year. The unity of purpose which brought together people of diverse backgrounds in their

determination to fight for the liberation of Bangladesh was once again on display. I thank the people of Bangladesh for cherishing the memories of battles fought by the Allied Forces under Lt. Gen. Aurora's command and keeping alive the friendship and camaraderie between our two countries.

India, too, wholeheartedly supports the values which the freedom fighters of 1971 stand for. We would be happy to support initiatives aimed at providing educational facilities and scholarships for the children and heirs of the freedom fighters of Bangladesh. We would also like to support the initiatives to provide healthcare and rehabilitation for these freedom fighters who, as a result of their war injuries, are still unable to live normal lives.

The sentiments and aspirations that started the liberation struggle of 1971 shall remain an enduring bond between us. The Liberation War Museum will always have an important role to play.



112. Reaction of Official Spokesperson to the bomb blasts in Bangladesh.

New Delhi, August 18, 2005.

In response to a question on Bangladesh blasts the Official Spokesperson said:

"Reports relating to an unprecedented 459 blasts in 63 of the country's 64 districts in the short space of 30 minutes yesterday, continue to come in.

Leaflets have been found at the site of each of the blasts authored by a fundamentalist outfit, the Jama'atul Mujahedin Bangladesh, that was banned just six months ago, demanding the establishment of an Islamic State in Bangladesh and condemning democracy, the judiciary and the electoral system as un-Islamic.

We have conveyed our serious concern and strong condemnation over the numerous and widespread explosions to the High Commissioner of Bangladesh in New Delhi on 17th August 2005.

We urged the Government of Bangladesh to identify the perpetrators of these terrorist acts and offered any kind of assistance.

A stable, prosperous, secular and democratic Bangladesh is not just in the interests of the people of Bangladesh, but also of India and the region as a whole¹.”



113. Press release of the Ministry of External Affairs rejecting allegations contained in statements of Bangladesh Minister of Industries alleging Indian involvement in bomb blasts.

New Delhi, August 21, 2005.

We have seen reports in the Bangladesh media quoting H.E. Mr. Motiur Rahman Nizami, Hon'ble Minister of Industries, Government of the People's Republic of Bangladesh. The Hon'ble Minister is reported to have made statements alleging Indian involvement in the bomb blasts throughout Bangladesh on August 17, 2005.

The Government of India strongly rejects the allegations contained in these statements, and expresses its deep concern that a senior Minister of the Bangladesh Government should have made such unfounded and

1. A day earlier the Spokesperson reacting to questions from the media had said “We have seen reports relating to the hundreds of explosions all over Bangladesh which have injured dozens of people, some seriously. The scale and coordination of these explosions countrywide raises a number of questions. Our sympathies go out to the victims and their families. We have no reports of injuries to Indian citizens as yet. Our diplomatic personnel are all safe.” The Spokesman was reacting to the series of bomb explosions throughout Bangladesh almost simultaneously. According to reports four hundred bombs exploded within half an hour (between 11 and 11.39 AM local time) in a show of extraordinary terror across the country. The blasts rocked 63 of the country's 64 districts, killing two persons and injuring at least 140. Blasts were reported from capital Dhaka, port city of Chittagong, and other important towns like Mymensingh, Sylhet, Barisal, Comilla, Khulna, and Cox's Bazar. The alarming scale of the terror campaign prompted India to get around the diplomatic discipline not to comment on any country's internal affair. A concerned New Delhi moved into high gear in the wake of the blasts with Prime Minister Manmohan Singh going into an emergency huddle with National Security Advisor M. K. Narayanan and others. Apprehensive of the possibility of terrorists sneaking into India, among the first steps taken was to seal the borders in West Bengal, Assam, Meghalaya and Tripura sectors adjoining Bangladesh.

irresponsible statements. Statements of this kind undermine efforts to promote the friendly and good neighbourly relations between Bangladesh and India.

It may be recalled that the Government of India has condemned the bomb blasts of 17th August as terrorism directed against the friendly people of Bangladesh and has offered its cooperation to the Government of Bangladesh in dealing with this reprehensible act¹.



114. Reaction of the Official Spokesperson on the incident in Dhaka involving the spouse of the Indian Deputy High Commissioner.

New Delhi, September 16, 2005.

The Government of India is shocked at the incident that took place on 15th September, 2005 in Dhaka, involving the spouse of the Indian Deputy High Commissioner in Bangladesh. Government of India has expressed its serious concern on the above incident to both the Acting High Commissioner of Bangladesh in New Delhi and the Government of Bangladesh in Dhaka and urged them to take necessary action in the matter.



1. The allegation of the Minister was particularly out of place when media quoted the Spokesperson of the Bangladesh Ministry of Home Mohammad Mohsin on August 21 to suggest that Dhaka was unable to ascertain the identity of who backed the blasts. He reportedly said: "we are examining whether it was the task of the banned Islamic organizations or whether there was any involvement of any foreign power in it." Meanwhile tension was building up on the India – Bangladesh border where the border security forces of the two countries were engaged in exchange of fire for a couple of days following the Indian side undertaking certain embankment protection works on the Indian side of the border along the Mahananda river between the two outposts of Muchia and Adampur. Anti-erosion works were found imperative to protect the area from floods that could submerge the border fencing in the area, particularly when "it posed no defence threat as only sandbags were dumped into the river to prevent erosion," said Deputy Inspector General of the Border Security Force. The firing subsided after the flag meeting between the Sector Commanders of the two forces on August 21. It was agreed that the Joint Rivers Commission scheduled to meet on August 30 and 31 in Dhaka at the ministerial level would tackle the question of bank-protection works.

115. Press release of the High Commission of India in Dhaka refuting insinuation of the involvement of the Border Security Force in the bomb blasts in Bangladesh in August.

Dhaka, October 3, 2005.

The High Commission of India is deeply concerned over reports in the Bangladeshi media quoting DG BDR as saying that during the recently held talks between the Director Generals of the BDR and BSF in New Delhi, the Indian side had not protested the statement of DG BDR that Indian criminals were involved in the August 17th bomb blasts in Bangladesh. Today (3rd October 2005) Director General (External Publicity), Ministry of Foreign Affairs, is also quoted as defending DG BDR's statements.

This is totally inaccurate and grossly misleading. DG BSF had firmly refuted all such allegations during the talks. Government of India in their Press Release dated 30th September 2005 had already rejected these allegations as baseless and scurrilous, regretting that these have been made against a friendly country, particularly after DG BSF and DG BDR had held useful and constructive talks.

DG BDR has alleged Indian involvement based on the reported arrest of an "Indian national", one Giyasuddin in Satkhira. In this context, the High Commission of India would like to emphasize that, after seeing these reports in the Bangladeshi media, High Commission of India had, on September 6th 2005, sought credible inputs from the Government of Bangladesh establishing the identity of this person. The High Commission of India has further requested the Government of Bangladesh for grant of consular access in the event this person is an Indian national. Regretfully, there has been no response from the concerned Bangladeshi authorities till date.

The High Commission of India would like to reiterate that in the interests of friendship and good relations between our two countries, it would be useful to directly discuss and clarify doubts or allegations rather than through the media.



116. Press note of the Ministry of Home Affairs on the talks between the Home Secretaries of India and Bangladesh.**New Delhi, October 26, 2005.**

The 6th Home Secretary level bilateral two day talks on 27th and 28th October, 2005 between India and Bangladesh on security and border management issues begin here tomorrow. The Indian delegation will be led by the Union Home Secretary, Shri V.K. Duggal and the Bangladesh delegation by their Secretary, Ministry of Home Affairs, Mr. Safar Raj Hossain. Bangladesh Delegation is arriving this evening for talks.

During the talks, Shri Duggal is likely to convey to the leader of the Bangladesh delegation that India would like to see a stable, prosperous and secure Bangladesh and that it is prepared to cooperate with Bangladesh in its economic development. He is also going to raise India's concerns arising from presence and activities of Indian Insurgent Groups (IIGs) in Bangladesh which is a major security threat to India and the safety, security and stability of Bangladesh itself.

Other issues likely to be raised by Shri Duggal relate to cross border illegal movement from Bangladesh and proper implementation and understanding of the 1975 border guidelines so that the border fence and development works in the border area can be undertaken without any hindrance. India is also likely to raise the issue of urgent need for convening the meeting of the Joint Boundary Working Group to address the pending issues related to demarcation of the land boundary, adverse possessions and enclaves.

The Bangladesh side will also be called upon to finalise their response to the pending bilateral treaties on extradition, mutual assistance

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1. At the end of the talks on October 28 Home Secretary Duggal told a media briefing that "there is a broad agreement on all issues. But we are still busy putting some commas and full stops here and there. Our talks have been very positive." According to media reports signing of the minutes and the joint press briefing by the two Home Secretaries was delayed repeatedly. Media reports said the two sides reiterated their stated positions. The Indian side brought up the issue of extradition treaty with Bangladesh to enable New Delhi to get custody of key militants from the North-East region who were believed to be operating training camps for insurgents in that country. Indian Home Secretary was supposed to have expressed Indian concern arising from the presence and activities of Indian insurgent groups

in legal matters, psychotropic and narcotic substances and consular access¹. During their stay, the Bangladeshi Delegation is expected to call on the Union Home Minister and the External Affairs Minister/ Foreign Secretary.



117. Joint press statement issued at the end of the Home Secretary-level talks between India and Bangladesh.

New Delhi, October 29, 2005.

The Home Secretary - level talks between Bangladesh and India were held in New Delhi from October 27th-28th, 2005. Both sides approached all issues on the basis of mutual understanding and appreciation of each other's position and sensitivities, on the basis of reciprocity and mutual confidence.

Both sides noted that the relations between India and Bangladesh are multifaceted and rich in its content and scope. They recognized that further strengthening of these relations will not only be in the larger interests of the two friendly neighbouring countries, but also will make an important contribution to the peace, progress and prosperity of all their peoples. The two countries, they agreed, had a shared stake in enhancing understanding and promoting cooperation with specific initiatives in all key areas of their bilateral relations.

In this context, during their talks the two sides, inter alia, covered the following issues:

- i. **Security related issues:** Both sides agreed to work on security related issues closely. Both sides agreed to provide consular access to the insurgents/ criminals arrested by either side and to share information about

¹ in Bangladesh which was a major security threat to India and the safety, security and stability of Bangladesh. Duggal was stated to have impressed upon his Bangladesh counterpart that India wanted to see a stable Bangladesh and India was fully prepared to cooperate with it in its economic development. Other contentious issues that came up for discussion related to cross-border illegal movement and proper implementation and understanding of the border guidelines.

activities of insurgents. Both sides also agreed that all possible measures will be taken to prevent smuggling of arms and explosives. Bangladesh side clarified that media reports about India's involvement in the bomb blast in Bangladesh in August 2005 do not reflect the official position of the Government of Bangladesh. Bangladesh side also mentioned that the investigation was on.

ii. **Fencing of the Border:** The issue of fencing at the border was discussed by both sides. The Bangladesh side requested the Indian side to provide specific details of the places where fencing is proposed within 150 yards of the international border.

iii. **Cooperation in combating the problem of drugs and narcotics:** Both sides stressed on the need for early signing of the agreement for cooperation in combating the problem of drugs and narcotics particularly Phensidyle and to cooperate and exchange information.

iv. **Trans border crimes:** Both sides agreed to the need for enhanced vigilance and action to check trans-border crimes. Both sides stated that their Governments did not encourage any type of smuggling and are resolute in their determination to effectively curb smuggling.

v. **Cross border movement:** The Indian side raised the need, for a high level meeting to discuss the problem of Illegal cross border movement from Bangladesh and to come up with a suitable mechanism/ protocol. Both sides agreed to provide consular access to each other's arrested nationals on a reciprocal basis.

vi. **Resumption of the meetings of Joint Boundary Working Groups:** Bangladesh side has agreed to convey the dates for the early meetings of the JBWGs after SAARC Summit.

vii. **Extradition treaty and agreement on Mutual Legal Assistance in Criminal Matters:** Bangladesh side agreed to expedite its response to the Indian proposals.

1. Hoem Secretary V. K. Duggal who led the Indian delegation said at the end of the talks that he and his counterpart Sarfaraz Hossain interacted in a "friendly atmosphere" and that the "discussions were constructive with a positive frame of mind."

viii. **Review of Revised Travel Arrangements (RTA) signed In 2001:** This is due for revision In May, 2006. Bangladesh side noted the Indian suggestion to setup a Joint Committee to review the RTA.

ix. **Miscellaneous Issues:** Various other Issues of mutual Interest were also discussed in a spirit of friendliness and cooperation.



118.. Questions answered by Prime Minister Dr. Manmohan Singh at his press conference about relations with Bangladesh during his visit to Dhaka for the SAARC Summit.

Dhaka, November 13, 2005.

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Question (Seems Guha, *Daily News and Analysis*): We are having quite a lot of problems with Bangladesh. Now your meeting with the Prime Minister, has it led to anything, lessening of tension, more understanding? What do you expect?

Prime Minister : I have always stated that a strong, prosperous Bangladesh is in India's interest. If there are any misgivings about our intention, I on behalf of the Government of India have always been willing to discuss this and remove those misgivings. I do believe that our two countries have a great deal in common. We can work out joint strategies to collectively get rid of chronic poverty that afflicts millions and millions of our people. I believe my visit here certainly has helped to improve the atmosphere. I did go over various issues with Begum Khaleda Zia and her response was constructive. I very much hope that the Prime Minister can visit us in Delhi. I invited her and she said she would be glad to come. There are no insurmountable issues between us. India will do nothing to hurt the interest of Bangladesh. By helping Bangladesh we help ourselves. That is the motivation which guides me and my Government.

Question : ...Inaudible...

Prime Minister : We have raised all those issues and recently the Home Secretaries of the two countries met where there was extensive discussion on this subject. I think some positive steps forward have been indicated¹.



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1. On November 13 the Prime Minister had a meeting with Begum Khaleda Zia on the sidelines of the Dhaka Summit when various issues of bilateral interests were discussed. During the talks they stressed the need to resolve all bilateral disputes through dialogue. Foreign Secretary Shyam Saran told the media that Prime Minister told her how SAARC could be made a stronger forum under her leadership, during her chairmanship of the organization. Asked whether terrorism was discussed Saran said: "We want neither Indian nor Bangladeshi land to be used by the terrorists." Dr. Singh had also meetings with former President Ershad and former Prime Minister Sheikh Hasina, who is currently the leader of the Opposition in Bangladesh Parliament. Saran quoted Prime Minister as telling Begum Zia, "we are prepared to work together with Bangladesh to resolve any outstanding issues in a spirit of friendship in a very constructive way. We need to ensure that the borders are peaceful...Neither India nor Bangladesh should allow its soil to be used by forces inimical to the other country." He however, clarified no particular issue was discussed in detail but the Prime Minister told her: "India will be with any government chosen by the people of Bangladesh for the pursuance of common objectives."

BHUTAN

119. Media briefing by Official Spokesperson on the meeting of External Affairs Minister K. Natwar Singh with the King of Bhutan.

New Delhi, January 24, 2005.

His Majesty the King of Bhutan has arrived today. As you know he is going to be the Chief Guest at this year on Republic Day. External Affairs Minister, Shri Natwar Singh, called on His Majesty the King of Bhutan this afternoon and welcomed him on this visit and on being the Chief Guest. He expressed great satisfaction with the state of our bilateral cooperation, which he said had brought immense benefits to our two countries. He thanked Bhutan for the exemplary action to flush out Indian insurgent groups that had established camps in southern and eastern Bhutan. It was agreed that cooperation on security issues would be further strengthened.

His Majesty the King thanked India for the support and assistance for Bhutan's development programmes. EAM reiterated India's commitment to support Bhutan's Ninth Plan and the projects in diverse sectors, including education, culture, agriculture, telecom, infrastructure, including roads, among others.

EAM said that cooperation in the hydropower sector represents a win-win situation for both countries and is one of the main pillars of India-Bhutan partnership. He expressed the commitment of the Government to further strengthen cooperation in this area on a long term and sustainable basis.



120. Memorandum of Understanding between the Ministry of Agriculture Government of the Republic of India and the Ministry of Agriculture Royal Government of Bhutan on cooperation in the field of Agriculture and allied sectors.

New Delhi, January 25, 2005.

The Ministry of Agriculture, Government of the Republic of India and **the** Ministry of Agriculture, Royal Government of Bhutan hereinafter referred to as the “Parties”;

Desirous of further strengthening the existing friendly relations between the two countries through enhanced cooperation in the fields of agricultural and animal sciences and technologies;

Recognizing the importance of strengthening of agricultural and livestock sectors;

Have agreed as follows:

Article - 1

The parties have agreed that this Memorandum shall provide the framework for institutionalized cooperation between the Ministries of Agriculture of the two countries in the areas of:

- a) Agricultural and livestock research
(Research in Agriculture and allied sectors)
- b) Extension of services
- c) Horticulture
- d) Agro-biodiversity
- e) Animal husbandry, dairying and fisheries
- f) Integrated pest management
- g) Agricultural implements and machinery h) Crop production
- i) Exchange visits of professionals and farmers
- j) Information and knowledge management

- k) Agri-livestock marketing]
(Marketing - Agriculture and livestock)
- l) Irrigation and water management
- m) Human resources development in Agriculture and allied sectors

Article - 2

The Parties shall promote development of cooperation in Agricultural and Animal Sciences and Technologies through institution-to-institution collaboration, exchange of experts, and trainees. Delegations from the Ministry of Agriculture of Bhutan shall be received in India in order that the visitors may acquaint themselves of developments in the areas referred to in Article-1.

Article - 3

The Parties shall prepare programmes of cooperation periodically specifying concrete activities including the organizational and financial aspects thereof as mutually agreed upon. These programmes shall be implemented by the relevant agencies/Departments of the Ministries of Agriculture of India and Bhutan.

Article - 4

In respect of projects to be funded by Ministry of External Affairs as part of Government of India's Non-Plan assistance to Bhutan (project-tied assistance for Bhutan's Five Year Plans), the annual release of funds, monitoring and implementation of projects agreed to under this MoU shall be governed by the provisions of the Implementation Mechanism signed on 20th October 2004 for Government of India project-tied assistance agreed between Government of India and Royal Government of Bhutan.

Article - 5

A Joint Technical Working Group shall be formed comprising of equal number of members from each of the Parties to monitor the activities carried out in fulfillment of this Memorandum of Understanding. The Working Group shall hold its meetings alternately in India and Bhutan every two years.

Article - 6

For study visits of officials/scientists pursuant to Work Plans approved

in accordance with Article-III, each party will meet the expenditure on international travel for its nationals and the host country will meet the costs on board/lodging and internal transport. As regards training and consultancies, the financial terms will be settled through mutual consultation.

Article - 7

This Memorandum shall, in no way, affect the commitments of the two Parties under any other bilateral Agreements.

Article - 8

Any dispute between the Parties concerning the implementation or interpretation of this Memorandum shall be settled amicably by way of consultation or negotiation. Any addition or amendment to this Memorandum shall be carried out by mutual consent.

Article - 9

This Memorandum shall enter into the force on the day of signing and shall remain valid for a period of 5 (five) years and shall be renewed for a subsequent period of 5 (five) years unless either Party notifies the other of its intention to terminate it, in writing, six months prior to the expiration of the validity period. The expiry or termination of this Memorandum shall not prejudice the completion of projects already in progress.

Signed in New Delhi on the 25th Day of January 2005 in two originals in English language.

Khandu Wangchuk
Minister for Foreign Affairs

Sharad Pawar
Minister of Agriculture &
Consumer Affairs,
Food, Public Distribution

Royal Government of of Bhutan

Government of the
Republic of India



121. Memorandum of Understanding between the Government of India and the Royal Government of Bhutan for the establishment of Railway Links between the bordering towns of India and Bhutan.

New Delhi, January 25, 2005.

The Government of India (GoI) and the Royal Government of Bhutan (RGoB),

Recalling the close and friendly relations existing between the Governments and peoples of the Republic of India and the Kingdom of Bhutan;

Recalling also the existing Agreement on Trade and Commerce between the two countries, which provide the basis of trade and transit for Bhutan's economic development;

Mindful of the cooperation existing between the two countries in multiple socio-economic fields and motivated by the desire to further strengthen such cooperation;

Recognizing the critical role of the development of transportation linkages between the two countries;

Emphasizing the need to develop trade and transit infrastructure for efficient conduct of international trade;

And Desirous of exploring, the possibility of developing railway linkages between the two countries;

Have Agreed to the following Understanding:

1. The Government of India (GoI) shall carry out the feasibility studies for establishing broad gauge rail links between bordering towns of India and Bhutan in the following order of priority:

- (i) Hasimara (West Bengal) - Phuentsholing (Approx 18 km) and bifurcation to Pasakha;
- (ii) Kokrajhar (Assam) - Gelephu (Approx. 70 km);
- (iii) Pathsala (Assam) - Nanglam (Approx. 40 km);

- (iv) Rangia (Assam) - Samdrupjongkhar via Darranga (Approx. 60 km);
and
 - (v) Banarhat (West Bengal) - Samtse (Approx. 16 km)
2. The feasibility studies will be carried out by the Ministry of Railways, Gol through M/S RITES.
 3. The cost of feasibility studies of the Railway Links shall be borne by the Gol. Depending on the' recommendations in the feasibility studies, decision on funding of establishing Railway links between bordering towns of India and Bhutan will be taken.
 4. The Gol and the RGoB shall provide all necessary assistance and information to M/S RITES for conducting the feasibility studies. Such assistance and information shall include topo-sheets, satellite imageries and/or photogrammetric maps of the project area on suitable scale, indicating the obligatory points to be connected for the proposed broad gauge railway lines, hydrological data i.e. highest flood level, bed level, catchment areas, rainfall etc., design discharge of existing drains/rivers/creek. The two Governments shall provide security arrangements for the survey during its work in the respective territories. The RGoB shall depute one senior officer for overall coordination during survey, discussions, field visits and site verification.
 5. M/S RITES shall arrange at the cost of the Gol to obtain the required information including satellite imageries and/or photogrammetric maps of towns where information is not available in India and Bhutan.
 6. The RGoB shall arrange necessary permission to M/S RITES to carry electronic instruments into Bhutan for temporary import without any duty/charges. These instruments shall be taken back to India after completion of survey work in Bhutan.
 7. The RGoB shall accord permission to M/S RITES to carry out feasibility studies with field verification within Bhutan's territory in the vicinity of aforesaid five border check posts.
 8. The RGoB shall provide information on the prevailing market price of land of the area, rates of material and other construction works executed in Bhutan along with copy of basic Schedule of Rates of Bhutan as available.

9. The feasibility studies for Railway links shall be completed within one year from the start of work. The works shall commence as soon as possible after signing of this MOU.

10. The feasibility studies would also include recommendations on linkages between the rail links and the proposed Dry Port in Phuentsholing/Pasakha.

11. Regular consultations shall be held between relevant Ministries/Departments of Gol and RGoB, while undertaking the feasibility studies.

12. M/S RITES shall submit 12 copies each of feasibility studies to the two Governments.

13. The Gol and RGoB shall review periodically the progress of the studies.

14. Any difference regarding the interpretation or application of the provisions of this MoU shall be resolved by mutual consultations between the two Governments.

Signed on the 25th Day in the Month of January 2005 in New Delhi, in two originals in English.

(Khandu Wangchuk)
Minister for Foreign Affairs

(Naranbhai J. Rathwa)
Minister of State for Railways

Royal Government of Bhutan

Government of India



122. Memorandum of Understanding between the Government of India and the Royal Government of Bhutan regarding the preparation of detailed project reports for Punatsangchhu (Stage II) and Mangdechhu Hydro-Electric Projects in Bhutan.

New Delhi, January 25, 2005.

The Government of India (GoI) and the Royal Government of Bhutan (RGoB),

Bearing in Mind the friendly relations existing between the two countries and their peoples and the mutual trust, understanding and cooperation shown in the development of the hydro-electric resources of Bhutan,

Noting the successful completion of the Chhukha Hydro-electric Project, the successful commissioning of the Kurichhu Hydro-electric Project, the advanced stage of implementation of the Tala Hydro-electric Project and Preparation of DPR of Punatsangchhu (Stage I), all shining examples of mutually beneficial cooperation,

Noting Further the desire of the Royal Government of Bhutan to develop additional hydro-power potential in the Kingdom, and the Government of India's willingness to cooperate with and assist the Royal Government of Bhutan in attaining this objective,

Have, reached the following understanding to carry out the required investigations and to prepare Detailed Project Reports (DPRs) for the Punatsangchhu (Stage II) and Mangdechhu Hydro-electric Projects.

I. Investigations and Studies Undertaken to Date

1. RGoB would make available to agencies undertaking the DPRs all initial and feasibility studies available and conducted so far for the two proposed projects.
2. During bilateral talks held in December 2004, on GOI assistance to the 9th Five Year Plan of Bhutan (2002-2007), it was agreed that DPRs of Punatsangchhu (Stage II) and Mangdechhu Hydro-electric Projects would be undertaken under GOI project tied assistance to Bhutan in the Ninth Five Year Plan of Bhutan.

II. Scope of Further Investigations

1. The two sides would mutually agree on the scope of the proposed DPRs after initial studies and feasibility studies have been studied by Indian agencies executing the DPRs.
2. The scope of proposed DPRs would among others, include the following studies/investigations:
 - a) **Preliminary Study of Alternatives:** Preliminary investigations should be undertaken for evaluation of various alternatives for location of dam and alignment of water conductor systems for selection of the schemes for detailed investigations.
 - b) **Topographical Surveys:** This should cover the entire area of the project.
 - c) **Geological/Geo-physical and Foundation Investigations:** This should be carried out at the dam site and other locations of the project. It should include detailed subsurface explorations at various locations, geo-mapping, drilling, drifting, water percolation tests and other mechanical tests.
 - d) **Seismological Observations:** The historical data of seismic activity and regional geological data shall be reviewed to arrive at the seismic parameters for the DPRs. Seismological observatories shall be set up covering both project sites.
 - e) **Hydro-meteorological observations during the duration of the DPRs study:** Data to be collected should include rainfall, temperature, river gauge and discharge, suspended silt, snow, wind and water quality. In the event the hydromet stations available with the RGoB are inadequate, additional stations shall be set up through the DPR study.
 - f) **GLOF Study as appropriate:** Glacier-fed lakes in the upper catchment with the potential to generate Glacier Lake Outburst Floods (GLOFs) and the related need for an advance flood warning system together with a scheme of suitable flood gate operation.

- g) **Sediment Movement:** Sediment movement including silt along the river will need to be studied.
- h) **Construction Material Survey:** Systematic sampling, testing and evaluation, including petrographic examination and other special tests for assessment of susceptibility to alkali aggregate reactivity, if required, should be undertaken for both coarse and fine aggregates, clay for core material and other construction materials.
- i) **Property Survey** should be conducted through the local Bhutanese authorities for the layout of the finally selected project and appurtenant features.
- j) **Communications Survey:** In consultation with the RGoB authorities, studies should be undertaken to check the adequacy of existing infrastructure, plan the routes to be adopted for transportation of project requirements, and assess the need for up-gradation and widening of existing roads and bridges with reference to the layout of the selected project and appurtenant features.
- k) **Transmission network:** Detailed studies should be undertaken to decide on the system voltage and the number of transmission lines to evacuate the power generated. The Transmission network should be designed in an integrated manner to evacuate full power of Punatsangchhu I, II and Mangdechhu.
- l) **Environmental Impact Assessment (EIA)** Studies should be undertaken as per the Environmental Assessment Act 2000 of the Kingdom of Bhutan. EIA Studies should also be undertaken as per the requirements of the GoI, for the layout of the transmission line route within India.
- m) **Optimization Studies** should be undertaken in detail to optimize firm power, energy generation, installed capacity and unit size based on techno-economic considerations and the system requirements of India and Bhutan.
- n) **Equipment Market Studies** should be undertaken and basic

data collected from different manufacturers of generating and other equipment for ensuring suitability to local conditions and dimensioning of units to decide the power house and switch-yard layouts of the selected Project alternative.

- o) **Construction Methods Studies:** In view of the shortage of labour in Bhutan, the method of construction adopted will be of great significance. Studies should be carried out and necessary investigations undertaken to optimize mechanization so as to minimize labour requirements and construction time.
- p) **Updated cost Estimates** to be prepared and Financial Studies to be carried out with reference to the selected Project features and with reference to power evacuation and sale in India.
- q) **Lessons** learnt from the implementation of Chukha, Kurichhu, Tala Hydro-electric Projects and ongoing preparation of Punatsangchhu(Stage I) Project should be taken into account to improve the planning and design of the proposed projects.

III. Requirements of Infrastructure Facilities

The camps for the work-charged staff and labourers will be located near the work sites. The RGoB shall provide the following infrastructural facilities:

Adequate land for construction of temporary buildings at different suitable places closest to the project site, for offices and accommodating regular staff plus work-charged staff and labourers at the respective project site shall be provided at the cost of RGoB.

IV. Time-Frame for Completion

The investigating agencies will require eighteen-field working months during the working season for the investigations connected with the DPRs from the date of award of work, which to the extent possible shall be by the first half of 2005. This is subject to timely provision of infrastructural facilities by the RGoB as detailed in Section III and Section V. In addition, six months will be required for carrying out the designs, preparation of estimates and the preparation of the DPRs.

V. Obligations of the two Governments

The Gol and RGoB agree to the preparation of the DPRs, on a high priority basis, through Gol agencies to be mutually agreed upon after due consultations between the two Governments.

Department of Energy (DOE), Ministry of Trade and Industry, will be designated as the counterpart agency by RGoB and shall facilitate and coordinate activities with concerned Bhutanese governmental and non-governmental organisations for the preparation of the DPRs.

The respective obligations of the two Governments shall be as follows:

1. The RGoB shall make available the infrastructural facilities detailed in Section III above and shall bear the expenditure thereon. The RGoB shall also make available adequate copies of initial and feasibility studies, including all topographical sheets and maps of the area, and other available data.
2. The Gol India shall bear the expenditure for the field investigations and preparation of the DPRs of the Projects, except as provided for in Section III and V, under Gol project tied assistance to the Ninth Five Year Plan of Bhutan.
3. The selection and appointment of technical, administrative and personnel of all other categories by the investigating agencies shall be confined to the nationals of either country. The RGoB shall issue identity cards/permits without payment of security deposit, to all the personnel of Gol agencies executing the DPRs, who are Indian nationals, and to their families.
4. The agencies involved in the preparation of the DPRs will depute technical and administrative personnel to Bhutan according to the requirement of works at site.
5. The RGoB shall facilitate free movement of transportation of machinery and equipment connected with the investigation work without levying any type of fees, taxes and duties.
6. The RGoB shall make necessary arrangements for the acquisition

of land, buildings, the right of way where needed, cutting of trees necessary for conducting the investigations, and field facilities as may be considered necessary for the preparation of the DPRs and shall resolve administrative and other difficulties, if any. The payment of costs, compensation, if any, and settlement of claims or disputes arising in connection with any arrangements shall be at the cost of the RGoB.

7. The RGoB shall issue, on the recommendation of the investigating agencies, necessary licenses to Indian contractors to participate in tenders related to the investigations.

8. The Government of India and the Royal Government of Bhutan shall review periodically the progress in the preparation of the DPRs under the agreed Implementation Mechanism for Gol assisted projects signed on 20th October 2004 between the two governments.

9. The agencies executing the DPRs will submit the required number of copies of the documents in connection with the DPRs to the two Governments.

10. Any differences regarding the interpretation or application of the provisions of this Memorandum of Understanding shall be resolved by mutual consultations between the two Governments.

Signed on the 25th Day in the Month of January 2005 in New Delhi, in two originals in the English language.

(Khandu Wangchuk)
Minister of Foreign Affairs

Royal Government of Bhutan

(P.M.Sayeed)
Minister of Power

Government of India



123. Joint press statement issued at the end of the visit of the King of Bhutan Jigme Singye Wangchuck to New Delhi.

New Delhi, January 28, 2005.

1. At the invitation of Dr. A.P.J. Abdul Kalam, President of India, His Majesty Jigme Singye Wangchuck, King of Bhutan, paid a six-day State Visit to India from January 24 to 29, 2005 as Chief Guest for the Republic Day. His Royal Highness Chhoetse Penlop Jigme Khesar Namgyel Wangchuck, the Crown Prince of Bhutan, Lyonpo Khandu Wangchuk, Minister for Foreign Affairs, and senior officials of the Royal Government of Bhutan accompanied His Majesty the King.

2. During the State Visit, the President held talks with His Majesty King Jigme Singye Wangchuck and hosted a State Banquet at Rashtrapati Bhavan. The Vice President, Shri Bhairon Singh Shekhawat, Prime Minister Dr. Manmohan Singh, Minister of External Affairs¹ Shri K. Natwar Singh, Defence Minister Shri Pranab Mukherjee, Home Minister Shri Shivraj Patil, Power Minister Shri P.M. Sayeed, and other senior government officials and political leaders held separate talks with His Majesty the King.

3. The two sides had a cordial exchange of views and discussions on bilateral relations and economic cooperation as well as regional and international issues. They recalled the strong historical ties of friendship and understanding between the two countries. Both sides noted with satisfaction the excellent state of friendly relations and cooperation, and expressed their firm commitment to further strengthen these exemplary relations.

4. The two sides recognised the many years of successful economic cooperation and agreed to further strengthen this mutually beneficial partnership. The Royal Government of Bhutan expressed appreciation for

1. The Spokesperson of the MEA Navtej Sarna told the media on January 24 that when the EAM called on the King, "he (EAM) expressed great satisfaction with the state of our bilateral cooperation, which he said had brought immense benefit to our two countries. He thanked the King for the exemplary action to flush out Indian insurgent groups that had established camps in southern and eastern Bhutan. It was agreed that cooperation on security issues would be further strengthened." The EAM pointed out to the Bhutanese Monarch that the India – Bhutan cooperation in the hydropower sector represented a win-win situation for both the countries and was one of the main pillars of the India – Bhutan partnership.

the invaluable and substantial assistance that the Government of India continues to provide towards Bhutan's all round development. The Government of India reiterated its commitment to assist the Royal Government of Bhutan in its socio-economic development programmes in general and to the 9th Five Year Plan in particular.

5. The programme grant component of India's overall assistance for Bhutan's Ninth Five Year Plan (2002-07) was also finalised. The Government of India agreed to enhance this component of assistance from Rs. 430 crores to Rs. 710 crores during the Ninth Plan.

6. During the State Visit, the following three Memoranda of Understanding were signed on January 25, 2005:

- i) Preparation of Detailed Project Report for:
 - a) Punatshangchhu (Stage-II) Hydropower Project
 - i) Mangdechhu Hydropower Project
 - ii) Establishment of Railway Links between bordering towns of India and Bhutan
 - iii) Cooperation in the field of Agriculture and allied sectors

7. The Government of India lauded and expressed its appreciation for the successful operation launched under the leadership of His Majesty the King by the Royal Government and people of Bhutan in removing the Indian insurgent groups from its soil. The two Governments reiterated their full support and cooperation in addressing cross border concerns to improve border management and security and with a view to facilitating smooth trade and commerce between the two countries.

8. His Majesty expressed the deep appreciation of the Royal Government to the Government of India for the security protection to facilitate the movement of Bhutanese vehicles and passengers through neighbouring States of West Bengal and Assam in India.

9. The State Visit of His Majesty the King of Bhutan to the Republic of India is a milestone in the close and friendly relations between India and Bhutan, and greatly contributed in further enhancing the mutual understanding, trust and friendship between the governments, leaders and peoples of the two countries.

10. On behalf of the Government and people of Bhutan, His Majesty King Jigme Singye Wangchuck thanked the government and the people of India for the warm and gracious hospitality received by him and the members of his delegation during the State Visit.



124. Press release of the Prime Minister's Office on the meeting between the King of Bhutan and Prime Minister Dr. Manmohan Singh.

New Delhi, August 2, 2005.

During his ongoing visit to India, the King of Bhutan H.E. Jigme Singye Wangchuk had a cordial and fruitful meeting with the Prime Minister Dr. Manmohan Singh on Tuesday, 2nd August. The King complimented the Prime Minister on his recent successful visit to the United States. The Prime Minister extended his greetings to the King and the people of Bhutan. The two expressed satisfaction on bilateral relations and on the successful working of bilateral cooperation in the energy sector. The Prime Minister emphasized India's strong commitment to the economic development of Bhutan and the welfare of the people of Bhutan.¹



1. During his stay in New Delhi the King also had meetings with the Ministers of External Affairs, Defence and Home Affairs. He called on President A. P. J. Abdul Kalam.

125. Press note issued by the Indian Embassy on the visit of External Affairs Minister K. Natwar Singh to Bhutan.

Paro (Bhutan), October 18, 2005.

Shri K. Natwar Singh, External Affairs Minister, had an audience with His Majesty The King of Bhutan in Paro (Bhutan) on 18th October 2005. The discussions covered the entire range of India-Bhutan relations, including development cooperation, hydro-power projects, border management and security related issues. Both His Majesty The King and EAM expressed their satisfaction at the excellent state of bilateral relations which are a model of good neighborly cooperation to our mutual advantage.¹

His Majesty The King and Their Majesties The Queens of Bhutan hosted a lunch in honour of Shri K. Natwar Singh.

External Affairs Minister returns to Delhi tomorrow, 19th October.



126. Keynote Address by Foreign Secretary Shyam Saran at the Seminar organized by Bhutan-India Friendship Association and the India-Bhutan Foundation.

New Delhi, December 3, 2005.

Mr. Chairman, Shri Jagdish Hiremath,

His Excellency Lyonpo Dago Tshering, the Ambassador of Bhutan, friends and colleagues,

Thank you very much for the opportunity to be with you at the Seminar

1. At the end of the third meeting of India – Bhutan group on border management held in New Delhi the previous month (in September), the Secretary (Border Management) D. K. Sankaran told journalists the meeting was held in a “cordial atmosphere” and a number of issues were discussed. He said that a major military action on Indian insurgents by Bhutan in December 2003 had led to a substantial drop in insurgent groups’ activities in Assam. Earlier the Bhutanese Home Secretary who headed the Bhutanese delegation at the talks said that there were no camps of Indian insurgent groups or militants operating from the Bhutanese soil. “We are trying to understand each other’s security threat,” he said.

today. It would be difficult to find a subject that is more agreeable than the one we have today.

2. I would like to compliment the Bhutan-India Friendship Association and the India-Bhutan Foundation for their initiative in organizing this event. A special word of appreciation must go to the tireless efforts of my good friend His Excellency Lyonpo Dago Tshering. But above all, we are beholden to the patronage and encouragement provided both to the Association and the Foundation by His Royal Highness the Chhoetse Penlop Jigme Khesar Namgyal Wangchuk. His commitment to the revitalization of the Bhutan-India Friendship Association is a matter of great encouragement to all those who are, in their own ways, engaged in the task of further cementing India-Bhutan relations. We in the Government do hope that the past few months that His Royal Highness has lived in India has enabled him to experience some of the goodwill that exists in India for Bhutan.

3. The India-Bhutan relationship is based on the firm foundations of shared historical and cultural linkages. Its roots in the modern times go back to the foundations laid by the late King Jigme Dorji Wangchuck and Pandit Jawaharlal Nehru. Over successive decades, the relationship has deepened and acquired an abiding resilience. It is a relationship that we in India are justly proud of as an example of good neighbourliness.

4. It is perhaps an oft-repeated observation, but nonetheless worth reiterating that our countries have a vital stake in each other's well-being and prosperity. Our actions and words speak for themselves. The destiny of two neighbours such as India and Bhutan, regardless of their size, is a shared one. Stability, peace and economic advancement are indivisible and the most durable guarantors of peaceful coexistence. It is based on this premise that India has been privileged to assist Bhutan in its task of nation-building.

5. From humble beginnings in 1961, our assistance to Bhutan's current Five Year Plan stands at Rs.1984 crores. We have evolved a comprehensive framework for economic, commercial and trade linkages. The result is that today our development cooperation encompasses projects in such varied areas as health, education, roads & bridges, power, trade & industry, civil aviation, culture urban development and housing, judiciary, media, human resource development, information technology and tele-communications.

6. Our cooperation has been guided by the priorities set by the Royal Government of Bhutan. In setting these priorities, what Bhutan has shown to us and to the rest of the world is that economic development does not have to be at the cost of social and cultural traditions, nor indeed at the expense of a fragile eco-system. This is no mean achievement in the contemporary era of globalization and must be a lesson to all developing countries. It has contributed to the shaping of a stable society, confident in its ability to synthesize modernity with tradition.

7. Perhaps the most eloquent testimony to this fine balance has been the tapping of the vast hydro resources of Bhutan. After the successes of Chukha and Kurichu, we are today at the threshold of commissioning the mega 1020 MW Tala hydro-electric project on the river Wangchu in the first half of next year. The project will generate 5 million units of power and lead to major gains for both Bhutan and India in a manner that is environmentally sound and commercially viable in the long term. We are, therefore, deeply optimistic about our future cooperation in this sector where further projects are under active consideration.

8. India and Bhutan share a common boundary of about 700 kms. The open borders, visa free regime and duty free trade across this border could not have been sustainable without complete understanding between our two leaderships of our mutual security concerns. The military operations conducted by the Royal Bhutanese Army in December 2003-January 2004 against Indian Insurgent Groups in Bhutan were a milestone in our joint response to terrorist activities. We look forward to continuing this cooperation by jointly upgrading our border infrastructure and management, including through better roads and communication links as well as information sharing. Such cooperation is a basic pre-requisite for securing close and friendly relations between countries that share a long land boundary. There are other related issues, which will continue to require our attention. As you are aware, the threat from Maoist groups, and their linkages with Indian left wing extremists and insurgent groups are of mutual concern.

9. We are following with keen interest the major Constitutional changes that have been initiated by His Majesty the King of Bhutan. The draft Constitution was released in March this year for public debate and it is expected that many of the changes flowing from it would be in place in the next two-three years. We wish the Royal Government of Bhutan and the

people of Bhutan all success in the course of this political transition and we look forward to working with Bhutan during this period and beyond.

10. I have no doubt that the eminent personalities and experts who are participating in this Seminar will reflect on the coming years and the manner in which the interests of the people of our two countries can best be served. I should mention that the Government of India's objective is not just to consolidate and preserve the exemplary relations we have, but to take them to an even higher level of mutually-beneficial cooperation and understanding. Your deliberations will be most useful in this regard.

11. Allow me to take this opportunity of sharing a few thoughts with you on the future. In today's increasingly inter-dependant world, we need to focus more on how we can further integrate our economies. We should evolve a development and economic cooperation strategy, which complements our mutual resources endowments. Clearly, we see great potential in the areas of hydro resources and the need for better border and road infrastructure while preserving the rich bio-diversity and flora and fauna of the Himalayas. We also need to do more in the area of human resource development, skill generation and upgradation, including in the field of information technology. The information revolution is upon us. We have to be mindful of the young profile of our two populations whose expectations for a better life will have to be met. The younger generation needs to be sensitized and educated about the benefits of the close partnership between India and Bhutan. Greater public outreach programmes, including Seminars such as this, will play a key role in this endeavour.

12. In many ways, our approach to Bhutan is subsumed under our overall vision for our region. It is incumbent upon us to bequeath to coming generations a region that is an engine of growth for the world economy. This requires clarity of thought and a mature appreciation of where the true interests of our peoples lie. As India and Bhutan have shown, inter-State boundaries need not be barriers but the gateways to joint and mutually-beneficial undertakings.



127. Reaction of the Official Spokesperson to a question on the announcement by His Majesty the King of Bhutan.

New Delhi, December 19, 2005.

We have seen the announcement¹ by His Majesty the King of Bhutan Jigme Singye Wangchuck that His Royal Highness Jigme Khesar Namgyal Wangchuk will be enthroned as the fifth Druk Gyalpo before 2008.

This is a significant moment in Bhutan's history, which for the last three decades has been guided and shaped by His Majesty Jigme Singye Wangchuck. His Majesty's contribution to the development of Bhutan and the affection among the people of Bhutan for His Majesty are well known.

His Majesty has also announced that a new Constitution based on a system of parliamentary democracy will be put in place in 2008. His commitment to an open and extensive process of consultations with the people of Bhutan in this regard is yet another symbol of His Majesty's statesmanship and wisdom.

India, as always, wishes the people and Government of Bhutan continued peace and stability, and the fulfillment of their aspirations as they embark towards the new Constitutional system.

We wish His Royal Highness Jigme Khesar Namgyal Wangchuk all success as he prepares to assume the throne within the framework of a new Constitution.



1. The Spokesperson was referring to the announcement by the King to a gathering of 8000 people composed of herders, farmers, monks, students, that he would like "his people to know that the Chhoetse Penlop (Crown Prince) will be enthroned as the Fifth Druk Gyalpo in 2008." The 25-year old Crown Prince Dasho Jigme Khesar Namgyal Wangchuck is the eldest of the King's five sons and five daughters. The current King took the throne in 1972 at the age of 17.

MALDIVES

128. Media briefing by Official Spokesperson on the meeting of Maldives President Gayoom with Prime Minister Dr. Manmohan Singh.

New Delhi, March 28, 2005.

Official Spokesperson: Good Evening. Let me first give you some details of the visit of President Gayoom of the Maldives. Today, he has held bilateral discussions with the Prime Minister. Tomorrow he would be meeting the President and there will be calls by Ministers on President Gayoom. External Affairs Minister as well as Raksha Mantri will be calling on him. The day after there will be a call by the Leader of the Opposition.

During their discussions today, naturally, Prime Minister and President Gayoom went through the range of bilateral issues and regional issues. In particular, President Gayoom thanked the Prime Minister for the large scale, timely and effective assistance that India had extended in the aftermath of the Tsunami disaster. He also briefed Prime Minister on the recent developments in Maldives including the initiatives for reform undertaken by President Gayoom himself¹.

On the economic issues it was felt that the Joint Commission between India and the Maldives, which has not been held since the year 2000, should be held soon and it should be used to reprioritize the economic agenda between the two countries. Also, it was agreed that the Memorandum of Understanding under which India extends assistance to the Indira Gandhi Memorial Hospital in Maldives and is due to lapse in the next year, will be renewed when it runs out.



1. At the end of his visit Maldives President had announced that it would extend "full support" to India's entry into the United Nations Security Council as a permanent member. "I have accordingly assured the Prime Minister Manmohan Singh of our full support to India in this matter," President Gayoom told a press conference in New Delhi on the 30th March. On March 23 the Spokesperson Navtej Sarna briefing media had said that India and Maldives enjoy close and cordial relations. India has played an active and constructive role in the field

129. Press statement of the Ministry of External Affairs on the talks between External Affairs Minister K. Natwar Singh and Foreign Minister of Maldives Dr. Ahmed Shaheed.

New Delhi, August 12, 2005.

External Affairs Minister Shri Natwar Singh warmly received the newly appointed Foreign Minister of Maldives H.E. Dr. Ahmed Shaheed today. Dr. Shaheed is on a visit to New Delhi on August 11-14, 2005.

Maldives is a country with which India enjoys the friendliest and closest of neighbourly relations and it was no coincidence that the Foreign Minister had chosen India as the first country for his overseas visit. We have no doubt that the visit by the Maldives Foreign Minister would further strengthen and consolidate the excellent ties between the two countries.

Maldives has made major strides in developing its economy and social sectors under the stewardship of H.E. President Gayoom. Indo-Maldives relations have grown from strength to strength. As partners in progress the two countries have completed a number of cooperative development projects in the health and human resource development area, including the Indira Gandhi Memorial Hospital and the Maldives Institute of Technical Education. We will shortly sign a Memorandum of Understanding for the construction of a Hospitality and Tourism Faculty in Male.

The number of Indians travelling is increasing rapidly and Maldives, with its serene islands, could become a great attraction for Indian tourists.

Our two countries also cooperate in the areas of defence and security, including the training of Maldives personnel in Indian institutes. This cooperation would receive a further stimulus during the visit of our Chief of Defence Staff to the Maldives in November this year. We are very pleased that the Hon'ble Defence Minister of the Maldives is also proposing to visit India.

of public health and human resources development in Maldives. India's prompt and effective assistance to Maldives during the recent Tsunami disaster was highly appreciated by the Government and people of Maldives. The present high-level visit would serve to further strengthen the friendly and cooperative ties that exist between the two countries. President Gayoom last visited India in August 2000.

We wish to take this opportunity to sincerely thank the Government of Maldives for its invaluable support to India's candidature as a Permanent Member of the UN Security Council and its co-sponsorship of the G-4 resolution aimed at reforms of the United Nations and its organs.

The Government of Maldives under the leadership of President Gayoom has also embarked on bold political reforms. As a democracy ourselves, we welcome the progress Maldives has made on the road to democracy. A stable, prosperous and democratic Maldives is in the interest of the people of the Maldives, and of India.¹



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1. The Spokesperson Navtej Sarna on August 11 in a press briefing said "India and the Maldives share ancient ethnic, linguistic, cultural and commercial links and common views on various international issues of mutual interest. Bilateral relations have been nurtured and strengthened by regular contacts at the highest levels."
Recalling the visit of President Gayoom of Maldives from March 27 to April 1, 2005, Sarna said President Gayoom held detailed discussions with the Prime Minister and identified the areas in which cooperation was to be further accelerated. These included inter alia development of human resources, environment and tourism and science and technology. During the visit "President Gayoom also announced support of Maldives to India's candidature for a permanent seat in the expanded UN Security Council which was welcomed in New Delhi. Maldives is one of the cosponsors of the G-4 Framework Resolution.
Giving details of the cooperation between the two countries the Spokesperson said, "The two countries have cooperated in the development of infrastructure facilities in the Maldives. India has also been offering assistance in Maldives' developmental process. A number of bilateral developmental projects like a 200-bed Indira Gandhi Memorial Hospital in Male and the Maldives Institute of Technical Education have been completed with Indian assistance. The project relating to updating the digital charts of Maldives is in the final stages of completion. Other areas include cooperation in the field of S&T, IT, health, education etc. The Indians are the largest expatriate community in the Maldives with a total strength of about 13,000.
- The Joint Commission for Economic and Technical Cooperation set up under the Economic and Technical Cooperation Agreement signed in February 1986 has met in 1990, 1992, 1995 and 2000. It is co-chaired by External Affairs Minister and Maldivian Foreign Minister. The Joint Commission has identified areas for strengthening bilateral economic cooperation."
On the trade side Indian imports from the Maldives comprise primarily cowrie shells and red corals. Indian exports to the Maldives include agriculture and poultry produce, sugar, fruits, vegetables, spices, rice, atta, textiles, drugs and medicines, a variety of engineering and industrial products, sand and aggregate, cement for building etc.

NEPAL

130. Press release of the Ministry of External Affairs on India-Nepal Home Secretary-level talks.

New Delhi, January 20, 2005.

Home Secretary-level talks between India and Nepal were held at New Delhi on January 19-20, 2005. The Indian delegation was led by Shri Dharendra Singh, Home Secretary, Government of India, and the Nepalese delegation was led by Mr. Chandi Prasad Shrestha, Home Secretary, His Majesty's Government of Nepal. These were preceded by a meeting of the Joint Working Group on Border Management on January 17-18, 2005.

These meetings are part of a network of institutional mechanisms that India and Nepal have in the area of security cooperation. These include the Home Secretary-level talks, Bilateral Consultative Group on Security Issues, the Joint Working Group on Border Management and the District Coordination Committees.

During the meetings, both sides exchanged views on various security related issues of mutual concern including the Maoist insurgency in Nepal and the security situation in the border areas. The modalities for strengthening bilateral cooperation in combating activities of terrorists, criminals and other hostile elements who are engaged in activities inimical to the interests of both India and Nepal, were also discussed.

The Nepalese side thanked the Indian side for the continuous support provided by GOI to HMGN in dealing with the challenges posed by the Maoist insurgency. In this context, a specific reference was made to the recent programme launched by the two Government for modernization of the Nepal Police by providing high-quality training in counter-insurgency and equipment.

Both sides reiterated their resolve not to allow their respective territories to be used for activities inimical to the interests of the other side. In this spirit, both sides agreed to further intensify cooperation through regular meetings and information sharing between the concerned authorities of adjoining border districts and at other levels.

Following the discussions, the texts of the Extradition Treaty and

the Agreement on Mutual Legal Assistance in Criminal Matters between Nepal and India were finalized and initialed. The two sides agreed to expeditiously complete their internal procedures to enable early formalization of these agreements. Once implemented, these instruments would significantly strengthen the legal framework for combating crime and terrorism.

India and Nepal have also launched several projects for improving infrastructure along the border and better rail and road connectivity. These projects would not only facilitate trade and transit but would also contribute to better border management and enhanced security.

Both sides were fully satisfied with the outcome of the meetings which were held in a traditionally friendly and cordial atmosphere. It was agreed to hold the next round of talks in Nepal within one year. It was also agreed to hold the next meeting of the JWG on Border Management in Nepal within six months.



131. Statement on Developments in Nepal.

New Delhi, February 1, 2005.

The King of Nepal has dissolved the multiparty government led by Prime Minister Deuba, and has decided to constitute a Council of Ministers under his own Chairmanship. An emergency has been declared and fundamental rights have been suspended. These developments constitute a serious setback to the cause of democracy in Nepal and cannot but be a cause of grave concern to India.

There are also reports that several political leaders have been confined to their residences. The safety and welfare of the political leaders must be ensured and political parties must be allowed to exercise all the rights enjoyed by them under the Constitution.

India has consistently supported multiparty democracy and constitutional monarchy enshrined in Nepal's Constitution as the two pillars of political stability in Nepal. This principle has now been violated with the King forming a government under his Chairmanship.

We have always considered that in Nepal, it is imperative to evolve a broad national consensus, particularly between the monarchy and political parties, to deal with the political and economic challenges facing the country.

The latest developments in Nepal bring the monarchy and the mainstream political parties in direct confrontation with each other. This can only benefit the forces that not only wish to undermine democracy but the institution of monarchy as well.

India has a longstanding and unique relationship with Nepal, with which it shares an open border, a history of strong cultural and spiritual values and wide-ranging economic and commercial links. We will continue to support the restoration of political stability and economic prosperity in Nepal, a process which requires reliance on the forces of democracy and the support of the people of Nepal.



132. Media briefing by Foreign Secretary Shyam Saran on the postponement of the SAARC Summit and developments in Nepal.

New Delhi, February 2, 2005.

This is a statement relating to the XIII SAARC Summit. We have formally communicated to the Government of Bangladesh that India would not be able to attend the forthcoming SAARC Summit in Dhaka on the scheduled dates. A request has been made for fresh dates to be worked out through consultations among the member States. This decision has been taken against the background of recent developments in our neighbourhood, which have caused us grave concern. The security situation in Dhaka has deteriorated in recent days following the fatal attack on the former Finance Minister of Bangladesh, Mr. SAMS Kibria. The Government of India wishes to reiterate its continuing and consistent commitment to the SAARC process, and to increased regional cooperation among member States. It is only in an environment free from political turmoil and violence that a Summit would yield the desired outcome. That is the statement which I wish to make this afternoon.

Question : What is your assessment of the security situation in Nepal?

Foreign Secretary : The information that we have is a little limited because all communications between Nepal and the outside world continue to be interrupted. There are no telephone communications possible. There is no Internet. We are ourselves in touch with the Embassy of India in Kathmandu only through our own satellite telephone link. We are also aware of the fact that all international flights to Kathmandu except for the Royal Nepal Airlines have not been operating since yesterday. But I am happy to tell you that today an Indian Airlines flight has proceeded to Kathmandu at 1215 hours. Perhaps another flight would also be mounted sometime later today in order to ensure that Indian passengers who are stranded in Kathmandu are able to come back home. We are also in possession of information that the political party leaders, those in Kathmandu, have been detained at their respective residences; their movements have been restricted; and their houses are being guarded by Royal Nepal Army personnel. We have also learnt that some political party leaders have been arrested and detained by the security forces. We have some information, for example, from some border towns on the India-Nepal border. We are unable to really make a very comprehensive assessment of the situation in the absence of information because of the complete interruption of communications. We hope that these communications will be restored soon.

Question : Have you communicated to the Nepalese Government or the King? Has there been any formal communication?

Foreign Secretary : I have spoken a little while ago to my Bangladesh counterpart and I have communicated to him the decision that I read out to you in this statement. Our External Affairs Minister has also spoken to the King of Bhutan as well as to the Foreign Minister of Sri Lanka also on the same lines. I have also spoken to the Sri Lanka Foreign Secretary in this regard. I was unable to get through to the Pakistani Foreign Secretary but we have communicated the same decision to the Pakistan Foreign Ministry.

Question : And Nepal?

Foreign Secretary : In Nepal, as I mentioned, the difficulty is that the communications are all interrupted. But we have informed our Ambassador in Kathmandu with the request that he should convey this in the best manner

possible to the Nepali Foreign Ministry, if he is able to get in touch with them.

Question : Did India anticipate these political developments in Nepal? Were these concerns conveyed to them?

Foreign Secretary : These concerns have been expressed repeatedly to the King of Nepal, on numerous occasions. As we pointed out in our statement yesterday, our constant refrain has been that the two pillars of political stability in Nepal are Constitutional Monarchy and Multiparty Democracy. We have also advised him against taking the kind of step that he has taken, pointing out that this would only mean that monarchy will be in direct confrontation not only with the Maoist insurgency but also the political parties. I believe that the Maoists have issued a very strong statement condemning the move that has been made by the King. This only bears out the apprehension that we have had.

Question: You have said that whatever developments are there in Nepal, India is assisting with military help or helping militarily to fight the Maoists. Has there been any talks about that?

Foreign Secretary: As the situation exists today no communication has been possible. We have to watch and see how this situation evolves. Yes, we shall certainly endeavour that the situation that has developed we continue the dialogue. Whatever happens in the future, we shall certainly try to keep the communication open.

Question: One reason for not attending the Bangladesh Summit could be that the Prime Minister would have to shake hands with the Nepalese King?

Foreign Secretary: I shall draw your attention to the statement that we have issued, and we have clearly stated: "This decision has been taken against the background of recent developments in our neighbourhood which have caused us grave concern". Whatever its implications they are quite clear.

Question : ...Inaudible... is the Nepal situation and that the King announced that he would be going to Bangladesh. Was that a part reason for the decision?

Foreign Secretary : I again draw your attention to the statement that I read out which says very very clearly - I do not think there is any ambiguity in this

- that this decision has been taken against the background of recent developments in our neighbourhood which have caused us grave concern. Certainly, the developments in Nepal as well as the continuing and deteriorating security situation in Bangladesh, these are the two key factors.

Question : I have two questions. Do we fear military confrontation with the Maoists in Nepal now? Are we going to review our military assistance to Nepal?

Foreign Secretary : The confrontation between the security forces in Nepal and the Maoist insurgency has been already continuing for some time.

Question : And our military assistance?

Foreign Secretary : As I mentioned in answer to an earlier question, currently we are not able to really make a comprehensive assessment of the situation because the communications have all broken down. We have not really been able to engage with Nepal during the last couple of days because of this. What I have said today is in relation to the situation as it exists today. Yesterday we made a statement in the context of what the situation was yesterday. As the situation evolves, we will of course be reassessing the situation, taking fresh decisions, and we will certainly take you into confidence.

Question : Yesterday our security team was sent to Bangladesh to assess the security situation there. Has the team come back? If it has come back, has it given any report?

Foreign Secretary : The team has not yet come back. It is still in Dhaka. But the statement, which I read out is of course also based on the assessment that they have communicated to us from Dhaka regarding the security situation in the capital.

Question : Bangladesh has been very keen to go ahead with the SAARC Summit. Yesterday the Bangladesh Foreign Minister was quoted as saying that the King of Nepal has conveyed his acceptance. I understand the context in which the decision has been taken. But do you feel that India will be seen acting like a Big Brother in postponing the SAARC Summit? Do you feel there will be some implications for India's foreign policy in the wake of this decision?

Foreign Secretary : I think it is very clear why we have taken this decision. I think this decision is a logical outcome of our assessment of the situation in the neighbourhood. There is no question of behaving like a Big Brother. Our main objective is to make certain that the SAARC Summit comes up with the desired outcomes. If you have the kind of environment, political environment and security environment, which prevails today, we genuinely believe that the desired outcomes are not possible. So, we should wait until the time is propitious to have such a very important and significant Summit.

Question : Nepal King has dismissed four Governments, which were in office in the last three years. How do you view that?

Foreign Secretary : India's position with regard to the political situation in Nepal has been very consistent and has been expressed time and again, which is to say that we believe that the two pillars of political stability in Nepal are multiparty democracy and constitutional monarchy. We have also pointed out in our statement yesterday that the step which has been taken is in violation of this principle which is enshrined in the Constitution of Nepal.

Question : You said you have requested for fresh dates for the summit. Did you specify those dates and what would have to happen in Nepal and Bangladesh for you to accept ...

Foreign Secretary : We have not indicated from our own side fresh dates, but we have conveyed to our Bangladesh colleagues as well as to our Pakistani colleagues who are the current Chairman, that fresh dates should emerge through a process of mutual consultations as it always does in the past.

Question : What will have to happen in Nepal and Bangladesh...

Foreign Secretary : I do not think I want to speculate about what is the kind of evolution, which we will be looking at or benchmarks, which we will be looking at. We have pointed out the reasons why we have taken this decision. Obviously we would be looking for amelioration of the situation or an improvement of the situation, which would dispel some of the concerns that we are expressing today.

Question : What are the specific threats directed at our Prime Minister that made you take this decision? All other Heads of States and Governments are going. So, is it because there was a specific threat to the security of the Prime Minister?

Foreign Secretary : Obviously, a certain security assessment has had to be made in the light of the most recent developments including the three bomb blasts which took place in Dhaka yesterday, and including at the high security zone where the Sheraton hotel is located. Every country would make its own assessment with regard to the security situation. We will not speak on their behalf. Our responsibility is with regard to the safety and security of our leaders. In the light of the assessment that we have received, we believe that the time is not propitious for holding such a summit.

Question: My question to you is: this is India's assessment; no other country has similar assessment: Would India not be isolated in this way. Is it in line with the Indian strategic and diplomatic interests keeping the long-term future interests of India?

Foreign Secretary: This is our assessment. We have communicated it to other neighbouring countries. As I told you, the External Minister has spoken to the Bhutanese King. He has spoke to the Foreign Minister of Sri Lanka. We have shared our assessment with them. We do not believe that this would isolate us. India will have to make her own assessment and take her own decisions. What ever our independent assessment we have shared with our neighbours. We have told you our decision. That we have taken this decision is quite clear. I do not think that is any danger of being isolated.

Question: I want a clarification. Has there been no contact with any Nepalese representative or dialogue between yesterday and today?

Foreign Secretary: No. Our Embassy in Nepal did try to establish some contact with Nepalese authorities. Our Defence attaché also did try to establish contacts with the Nepalese army officers or try to talk with them on telephone. But so far this has not been found possible.

Question : Do not you think that India-Bangladesh relations in any case are not at their best point, and this kind of decision could be seen as a unilateral one or India taking the lead in not getting the SAARC Summit to go ahead. Would it not affect India-Bangladesh relations?

Foreign Secretary : We have set out very clearly the reasons why we have taken this decision. It is not directed against this or that country. It is the result of an assessment of the situation, which prevails in the neighbourhood. Nobody can deny that there is a serious situation, which is prevailing in the

neighbourhood. What has happened in Nepal is not an ordinary event. What has been taking place in Bangladesh is not something ordinary. If there is a continuing pattern of violence, which just on the eve of the Summit, seems to have been intensifying, these are objective facts. These are not something that we have manufactured ourselves. So, we have come to a certain decision based on assessment of objective reality in our neighbourhood. I do not think anybody can really fault us on that assessment.

Question : Was it not being speculated even before Nepal happened?

Foreign Secretary : We are not responsible for any speculation.

Question : Considering that Nepalese Army is dominated by Gorkhas and considering that Maoists are dominantly comprising of mainly non-Gorkhas, will you fear an increased bloodshed in Nepal? What could be the fallout of Nepal for India?

Foreign Secretary : Any increase in violence in Nepal will have its fall out in India. It has already had a fall out in India in terms of the very large exodus of ordinary Nepalis escaping violence and economic deprivation from Nepal. So, it stands to reason that if there is intensification of violence in the country it will have its impact on India. As you know, we have a completely open border with that country.

Question : You spoke of benchmarks. Is one of the benchmarks going to be...

Foreign Secretary : I did not speak about the benchmarks. I said that we have pointed out that there is a certain situation, a grave situation, which has come about in our neighbourhood, which is why we have taken such a decision. It is the amelioration or alleviation of this situation which would lead us to fresh ...

Question : If we spell it out in our terms it would mean a return to democracy in Nepal. Right?

Foreign Secretary : I do not want to speculate upon what it will take in order for us to agree to fresh dates. As I said, this is something which has always been decided in mutual consultation with all the SAARC countries and that is especially the process that we have commended to Bangladesh, to engage in diplomatic consultation and we could come up with fresh dates.

Question: Just before Shri Vajpayee went to Pakistan for the SAARC Summit, there were attacks on Mussharraf. Despite that India decided to attend the SAARC Summit. Do you think the situation that prevails in Bangladesh is worst than the situation that Prevailed in Pakistan?

Foreign Secretary: I have not come here to compare the situation in Bangladesh with that of Pakistan. I have clearly told you our assessment, both political and security; and that basis this decision has been taken. It will not be desirable to compare this with the situation in Pakistan, or Nepal or with that of any other country.

Question : Mr. Saran, would it be right if one were to deduce that this decision has been mainly made, there are other factors, because of India's unwillingness to share the same stage with the King at this juncture? Would it be right to deduce that?

Foreign Secretary : What we have said today has nothing to do with personalities. What we have expressed concern about is a very serious situation which has developed in Nepal. As I have pointed out to you that even as I speak there are virtually no communications. There is virtually no way in which we are able to engage the Government of Nepal in even making a proper assessment of what is happening. So, I do not think that our decision should be projected in terms of our willingness or unwillingness to share the platform with this or that leader. We have gone to SAARC summits in the past and shared the platform with various leaders of different political persuasions. I do not think that should be taken as the reason for our decision.

{The text in italics is unofficial translation from Hindi}



133. Response of the Official Spokesperson to media questions on developments in Nepal.

New Delhi, February 3, 2005.

Official Spokesperson: Good evening everybody.

Question: Can you tell us anything about further developments in Nepal. Have we been able to establish contact?

Answer: Yes, our Ambassador Shri Shiv Shankar Mukherjee met the new Foreign Minister Mr. Ramesh Nath Pandey this morning. Also, our Defence Attaché has established contact with officers in the Royal Nepal Army.

Question: What happened at the meetings?

Answer: They have had the meetings. I do not have a full read out from the meetings but the import of the statements of yesterday and day-before-yesterday was conveyed by our Ambassador.

Question: On Bangladesh, India has been the only country that has raised concerns?

Answer: I do not think that is the correct assessment. India is not the only country which has raised concerns regarding the deteriorating situation in Bangladesh. You only have to look around the websites of various organizations and countries to see the statements that have been issued. I have here with me, for instance, the statement issued by the EU Heads of Missions on the 1st of February in Dhaka after their meeting in which inter alia they have said that Government of Bangladesh must ensure swift action and thorough and transparent investigation, that is after the grenade attack on January 27; the EU heads of Missions at the same time expressed their concern about the current violence in the streets. Similar concerns have been expressed by US and UK. For instance, a press release issued on January 31 by US Embassy in Dhaka talks about the conversation between Assistant Secretary of State Christina Rocca and Foreign Minister Morshed Khan. She called to express her outrage at the January 27 attack etc and she urged the Government of Bangladesh to conduct a thorough investigation. These are available and it is not correct to say that it is only

India that has expressed concerns at the security situation which has been fast deteriorating over the past few weeks.

Question: Bangladesh has accused India of raising bilateral issues in SAARC in violation of the SAARC Charter...

Answer: As regards the Charter, let me clarify that we have not sought postponement (of the SAARC Summit) due to any developments in bilateral relations with SAARC countries. We have drawn attention to developments that have an impact on the entire region of South Asia, not just India. So, it is not correct to say that bilateral relations which are precluded by Charter have been cited by India.

Question: India has been providing military assistance to Nepal to help fight the Maoist rebels. Given the fact that they are quiet...by the King's move do you think that there could be some change in that?

Answer: I think this kind of a question was very extensively answered by the Foreign Secretary yesterday. There have been no developments for me to add to any of those responses. The developments that have taken place I have informed you - that is the meeting of our Ambassador and also the Defence Attaché.

Question: Did India talk to US, UK or other countries with regard to the developments in Nepal?

Answer: We have been in constant touch with several interlocutors and you can see the statements that have been issued by those countries - by US, UK etc - and their positions. You will see that there is a lot of convergence in our positions.

Question: Have communication links been restored in Nepal?

Answer: I think the status is more or less as it was yesterday.

Question: Has Nepalese Army Chief invited his Indian counterpart to visit Nepal?

Answer: I have no information on that. As I said today our Defence Attaché

has established contact with operational level officer of the Royal Nepal Army.

Question: What will be the next dates for SAARC?

Answer: That has been answered yesterday.

Question: Have the flights to Nepal been restored?

Answer: I think the details were given yesterday on the special flight that was going yesterday. So far I have no other information. [Later: I understand three flights have gone today.]

Question: Bangladesh has said that it wants good relations with India. Do you think cancellation of the SAARC Summit will have an impact on our relations with our smaller neighbours?

Answer: I think this question was asked, if I may say so, in the "Big Brother" terminology yesterday and you had got an adequate answer.



134. Press statement of the Ministry of External Affairs on the meeting of Ambassador Shiv Mukherjee with King Gyanendra.

New Delhi, February 9, 2005.

The Indian Ambassador in Nepal had an audience with King Gyanendra this evening.

The King explained the reasons for the recent steps he had taken. During the meeting the Ambassador conveyed India's position as contained in our statement of February 1, 2005 and urged a return to democratic processes at the earliest. He emphasized the importance of bringing the political party leaders into a broad national consensus to enable Nepal to overcome the political and economic challenges confronting it. For this, it was necessary to remove all restrictions placed on these leaders since February 1, 2005.

India remains committed to supporting all efforts to bringing about political stability and economic recovery in Nepal. The situation in Nepal is under constant review of the Government.



135. Statement on the meeting of Ambassador Shiv Mukherjee with King Gyanendra.

New Delhi, February 9, 2005.

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bringing about political stability and economic recovery in Nepal. The situation in Nepal is under constant review of the Government.¹



136. Response of Official Spokesperson on questions regarding military assistance to Nepal.

New Delhi, February 10, 2005.

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Question: What is the status of India's assistance to Nepal especially since the Defence Minister² said in Bangalore that the military assistance will continue?

Answer: Defence Minister's statement is what he has said and I think the exact formulation is different from what you have said.

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1. Meanwhile on February 12, the Prime Minister reiterated at his press conference in Bangalore that Nepal's future rested on the two pillars of monarchy and multi-party democracy. "What has happened is a setback for democracy. India hopes that there will be a change for the better and democracy will be restored at the earliest", added the Prime Minister.
 2. Defence Minister Pranab Mukherjee describing the recent developments as 'internal matter' said in Bangalore on February 9 that Indian response to the recent developments in Nepal would be dictated by the clout of the Maoists agitating against the abolition of monarchy in the Himalayan Kingdom. "There is extremist activity in a large number of our States. Because of the porous border there is a threat perception that once they (Maoists) exert more influence in Nepal, there will be an impact here. Our policy will be in keeping that in view... We recognize that if the security situation (in Nepal) deteriorates due to increased Maoist influence, it will heighten our own internal security threat", said the Defence Minister speaking in his capacity as a member of the Cabinet Committee on Security. He however maintained that India was concerned about the fall of democracy in Nepal and wanted multi-party democracy along with Constitutional monarchy to continue. "This has been affected. But after that (take over by the King) we have not said this should be done. But if Maoist activity is not constrained, this may cause problems to us," Pranab Mukherjee said. Revealing that the Royal Nepal Army (RNA) had sent a communiqué to the Indian Army seeking continuance of friendly relations, he said India had responded "along the same lines". "We have a long standing relationship with the RNA. That relationship stands. The RNA wanted reiteration of the same policy". India had recently supplied helicopters, mine-proof vehicles, guns and ammunition to the RNA to counter the Maoists. A second trench was in the offing but he did not clarify if that would be affected in the changed circumstances. In a parallel development the Nepalese Chief of Army Staff Gen. Pyar Jung Thapa met the Indian Ambassador Shiv Mukherjee at his own request on February 8 and requested

Question: There have been reports that some political leaders have been released in Nepal. Any comments.

Answer: Yes, there are reports that some political leaders have been released in Nepal. We welcome this move but we would also like to say that the other leaders who are in custody should also be released.

Question: Mr. Sarna going back to the question on assistance to Nepal and Defence Minister's statement that defence ties between India and Nepal will stay, isn't there a contradiction between this and the way the Indian Government has reacted?

Answer: No. I think what has been said all along is that it is an evolving situation. Our responses that we have given on February 1 and the statement that has been issued yesterday are responses to the situation that exists in Nepal. We will respond to the situation as it evolves.



continuation of the military assistance. A spokesman of the Indian Embassy in Kathmandu confirming the meeting said "it is an evolving situation. India is reviewing some aspects of its relationship with Nepal".

137. Statement of Official Spokesperson on the call by the Nepalese Ambassador in New Delhi on External Affairs Minister K. Natwar Singh.

New Delhi, February 14, 2005.

At the request of the Ambassador of Nepal to India, Mr. Karna Dhoj Adhikari, EAM received him today in his office at 1030 hrs.

2. In course of the meeting, EAM conveyed Government of India's position as spelt out in the Official Statement issued on February 1, 2005, following the dismissal of the multi-party government of PM Deuba and assumption of executive power by the King of Nepal.

3. EAM also conveyed that it would be desirable that immediate steps are taken towards the release of political leaders, journalists and human rights activists; freedom of media is restored; multi-party democracy is reinstated, and efforts are made to evolve a national consensus to address the problems faced by the country.

4. EAM emphasized that India wishes to see a stable, peaceful and prosperous Nepal in its neighbourhood.¹



1. In another development six political parties of Nepal called for the "overthrow" of the monarch in Nepal. The political parties included the Nepali Congress and the Nepal Communist Party. They said they would launch a struggle for the restoration of democracy in the country. "We also appeal to the international community in general to rise to the occasion ... none of them, India, in particular, should be seen as strengthening the military hand of Nepal" a joint statement by the political parties said and added that only then could India win "the love, goodwill and friendship of millions of Nepalese". "King Gyanendra has murdered democracy along with the Constitution of Nepal, obtained in the wake of the glorious people's movement of 1990. Today in Nepal political leaders have been arrested and persecuted...civil rights are abrogated", the statement said.

138. Remarks of External Affairs Minister K. Natwar Singh at a Joint Press Conference with British Foreign Secretary Jack Straw.

New Delhi, February 18, 2005.

External Affairs Minister of India: We have discussed all these issues. We also had a good exchange of views on developments in our neighbourhood. I briefed Mr. Straw on my recent visit to Afghanistan and to Pakistan. On Nepal, we noted that the international community has strongly deplored the recent developments in Nepal, which constitute a serious setback to the cause of democracy in that country and are a cause of grave concern to us all. We agreed on the urgent need for restoration of normal democratic processes, release of political prisoners and the lifting of censorship on the media. The UK and India would continue to be in close touch with each other concerning further developments in Nepal.

* * * *

Question (Mr. Amit Baruah, *The Hindu*) : My question is to addressed to Mr. Natwar Singh. Sir, on Nepal, what more can India, in association with other partners, do as far as the restoration of democracy in Nepal is concerned?

External Affairs Minister of India : I do not at all blame you for asking the question you have about Nepal. But you must not blame me either for not answering it in any detail. We are watching the situation very very carefully. We will see what we can do if things do not change. We do not want in any way to hurt the people of Nepal at all. We continue to hope that His Majesty will sooner rather than later restart the political processes which will encourage the political parties to get together eventually leading to elections in Nepal and the Constitutional Monarchy functioning as such. ...I just might add, Amit, our Ambassador to Nepal, Shiv Shankar Mukherjee, is going back on Sunday carrying a message from us to His Majesty the King, a verbal message¹.



1. On March 18 the Communist Party of India (Marxist) supporting the UPA Government in New Delhi adopted a statement at its current session in New Delhi exhorting New Delhi not

139. Question in the Lok Sabha: "Emergency Situation in Nepal".

New Delhi, March 2, 2005.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether India has expressed its serious concern over recent development in Nepal;
- if so, the details thereof and the impact thereof on Indo-Nepal relation;
- (c) whether Non-resident Indians and Nepalese have been infiltrating into India after the imposition of emergency there;
- (d) if so, the action being taken by the Government in this regard;
- (e) whether a few Indian security personnel were killed in the shoot out that occurred in the Indian Embassy premises in Nepal as reported in the Statesman dated January 19, 2005;
- (f) if so, the facts and details thereof; and
- (g) the steps taken by the Union Government in this regard?

The Minister of State in Ministry of External Affairs (Shri E. Ahamed)

(a) to (g) A Statement is placed on the Table of the House.

Statement

(a) & (b) Government of India has expressed grave concern following the dismissal of the multi-party government, declaration of emergency, arrest of political leaders and others and imposition of media censorship in Nepal on February 1, 2005. These developments constitute a serious setback to the cause of democracy and would only benefit the anti-constitutional forces.

to resume military supplies to Kathmandu as it would strengthen the King's "autocratic regime". The Polit Bureau of the Party expressed deep concern over the refusal of the King of Nepal to heed international public opinion and undo the steps taken to "suppress democracy". It said the arrest of political leaders and activists continued, civil liberties remained suspended and censorship of media was imposed. The Polit Bureau appreciated the stand taken by the Government of India calling for restoration of democracy in Nepal. It also said "the Government took the correct step to stop military supplies to Nepal, in conformity with this stand."

India has always believed that the challenges being faced by Nepal can be addressed effectively only on the basis of national consensus. In this context, we have called for a return to democratic processes at the earliest. All arrested political leaders, media personnel, intellectuals and human rights activists should be released immediately and allowed to exercise their Constitutional rights. On its part, India will continue to support all efforts for the restoration of political stability and economic prosperity in Nepal.

(c) & (d)

Government of India is aware that several Nepalese citizens, including political leaders, have crossed over to India following the imposition of emergency in the country. India and Nepal share an open border and regime of visa free movement. The Government is keeping a close watch on the situation and has taken appropriate steps to maintain security in the areas bordering Nepal.

(e), (f) & (g)

On January 18, 2005, a member of the Central Industrial Security Force contingent posted at the Embassy of India in Kathmandu, opened fire in which two of his colleagues died and three other security guards received splinter injuries.

An investigation team comprising officers from CBI and CISF reached Kathmandu the same day for investigations. The assailant was immediately arrested, suspended from service and was brought back to India for further investigations and trial¹.



1. On the same day in answer to another question, the government while stating that text of the new Extradition Treaty between Nepal and India was finalized during Home Secretary - level talks on January 19-20, 2005 and that the Treaty would enter into force following signature and ratification by the two Governments. The new Extradition Treaty would significantly strengthen the bilateral legal framework for combating crime and terrorism. It was also confirmed that there have been some violent attacks by Maoists in which Indian property and vehicles have suffered damage. It was further stated, "in such cases, the affected parties would approach the concerned authorities for appropriate compensation. The Government of India has not made any demand for compensation from His Majesty's Government of Nepal (HMG). Government of India strongly condemns such incidents and holds the Maoists responsible. We are keeping a close watch on the situation and are in touch with His Majesty's Government of Nepal, who have assured us of necessary measures to provide security for Indian interests."

140. Suo Motu statement by External Affairs Minister K. Natwar Singh on developments in Nepal in the Rajya Sabha.

New Delhi, March 4, 2005.

There has been a broad national consensus on our foreign policy since independence. This consensus has enabled our country to play an influential and effective role in world affairs. Our Government shall continue to nurture this precious legacy and build upon it as we face a rapidly transforming international environment.

As the Hon'ble Members are aware, the UPA Government has laid great stress on our relations with our neighbours. Hence, I would like to take the House into confidence and make a statement on recent developments in the neighbourhood, specifically developments in Nepal and my recent visits to Afghanistan and Pakistan.

NEPAL As close friends and neighbours, India and Nepal share a unique relationship of friendship and cooperation underpinned by ties of language, culture and kinship. It is inevitable that developments in one country affect the other. We are committed to supporting all efforts aimed at restoring political stability and economic prosperity in Nepal.

Hence India is deeply concerned at the recent developments in Nepal following the dismissal of the multiparty government by His Majesty King Gyanendra on 1 February. An emergency has been imposed in that country, fundamental rights have been suspended and several political leaders, journalists, human rights activists and intellectuals have been detained. Some leaders have crossed over into India.

Media censorship continues. Telecom services have been curtailed. Indian television news channels are not being carried by Nepalese cable service providers. M/s United Telecom Ltd., an Indian joint venture company providing telephone services has not been allowed to operate since the imposition of the emergency.

The prolonged Maoist-sponsored bandh since 12 February has disrupted normal life causing enormous hardships to the people of Nepal. It

also affected industrial activity. It was called off only on 26 February. Political parties have decided to launch a joint agitation against the actions of the King from 8 March.

The developments in Nepal constitute a serious setback to democracy and bring the monarchy and mainstream political parties in direct confrontation with each other. This can only benefit the forces that not only wish to undermine democracy in Nepal but the institution of monarchy as well. As a result, the task of both India and Nepal to address their shared security concerns has become difficult and complicated. We continue to believe that the principles of multi-party democracy and constitutional monarchy, enshrined in the country's constitution will be adhered to in order to ensure political stability in the country.

The Government of India responded promptly and unambiguously to the developments in Nepal. We have in a fraternal spirit called for the early restoration of multiparty democracy, immediate release of political leaders and lifting of restrictions on their constitutional rights and removal of media censorship. We have stressed the need and importance of forging a national consensus between the two constitutional forces, namely political parties and constitutional monarchy, to effectively deal with the political and economic challenges facing the country. Our views have been conveyed by our Ambassador to H.M. the King of Nepal.

Following the developments in Nepal, we recalled our Ambassador in Kathmandu to New Delhi for consultations. He has since returned to Kathmandu and will reiterate our views to the Nepalese leadership.

We are also in touch with other countries, to exchange views and share assessments in order to evolve a coordinated response of the international community to the developments in Nepal.

In view of the current disturbed conditions in Nepal, the question of military supplies to Nepal is under constant review.

India is concerned that a further deterioration of the situation in Nepal will result in spill-over effects across the open border, particularly in the neighbouring States. We have taken steps to strengthen security in border

areas. The Sashastra Seema Bal which is responsible for guarding India-Nepal border has been asked to step up vigilance and patrolling along the border.¹



141. Press release of the Ministry of External Affairs on the Working Visit of Foreign Minister of Nepal Ramesh Nath Pandey.

New Delhi, March 7, 2005.

The Foreign Minister of the Kingdom of Nepal, Mr. Ramesh Nath Pandey, is currently on a working visit to India. On his arrival today in Delhi, he was received by Shri Ranjit Rae, Joint Secretary in the Ministry of External Affairs.

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1. On March 24 Director General of the Sashastra Seema Bal (SSB) told a press conference in New Delhi that to check infiltration and other subversive activities along the India - Nepal border the SSB had proposed introduction of identification documents for border crossing, which would work as an access - control - mechanism in the "visa - free" regime. Speaking at a press conference ahead of its Raising Day on March 27, the SSB Director General Himanshu Kumar said that there had been instances of Maoists and Pakistani intelligence agents entering the country taking advantage of the porous border in the past. "Reports suggested that the Inter Services Intelligence (ISI) agents have been active in Nepal for the past one decade, pumping in counterfeit currency and carrying out espionage activities." Mr. Kumar said these agents were suspected to be active in the Nepalgunj, Kapilavastu, Sunauli and Bardia areas of Nepal and that the SSB was keeping a close watch on their movements. To put a check on infiltration and other trans - border crimes, Mr. Kumar said a need for introduction of identification documents for border crossing was being felt. "Ration cards, passports and even driving licences can be considered for the purpose", he said. Describing the situation on the Indo - Nepal border as "very sensitive" in the wake of the Royal coup and the subsequent crackdown on Maoists and political activists there, Mr. Kumar said the force has been put on "very high alert". He said from February onwards, the developments in Nepal had raised serious fears over infiltration by Maoists into the country. "There has been an exodus of some sort of Maoists and Nepalese political activist", he said, adding that the SSB had during this short span of time arrested six Maoists including four senior functionaries. The SSB recovered two self-loading rifles and an AK - series rifle from their possession. On reports about use of *madrassas* on Nepalese territory, Mr. Kumar said that some Pak agents were staying in suspect *madrassas* in border areas of Nepalgunj, Sunauli and Kapilavastu. On the nexus between the Nepalese Maoists and the Indian Naxalites, he said "we have information that some Maoists leaders have come and gone. Some Maoists took training here and came to seek shelter and treatment".

2. Mr. Pandey is accompanied by Mr. Madhu Raman Acharya, Nepal's Foreign Secretary.
3. The External Affairs Minister, Shri Natwar Singh, received Mr. Pandey shortly after noon today and also hosted a lunch in his honour at Hyderabad House.
4. During his meeting with EAM, Mr. Pandey explained the reasons why His Majesty, the King of Nepal, had taken steps to dismiss the multiparty Government, declare emergency, detain political party leaders and impose censorship on the press. He conveyed the King's assurance that steps are being taken to relax some of these measures in the near future. He also conveyed the King's commitment to restoring multiparty democracy at the earliest.
5. EAM conveyed to the Nepali Foreign Minister India's disappointment at the measures taken by His Majesty, the King of Nepal, which had served to only deepen the crisis facing Nepal. He pointed out that it was not only India, but several other friends of Nepal, which had expressed grave concern over these measures, which could endanger the institution of monarchy itself. The events since February, 2005 had only served to demonstrate that not only had the security situation in Nepal not improved, but that the country was now facing a deteriorating economic situation as well. This was likely to be further worsened by decisions of some donor countries to suspend aid to Nepal. Against this background, EAM conveyed that it would be in the interest of Nepal and its people, for the King and the political parties to join together on a national platform to unitedly deal with the multiple challenges facing Nepal, including the threat from Maoist insurgency. It was important for the King to take an early initiative in this regard.
6. The Foreign Minister of Nepal, who returns to Kathmandu on 9th March, will convey India's views to the King of Nepal and to His Majesty's Government of Nepal.
7. The EAM took the opportunity to express India's concern over the continuing blacking out of several Indian TV news channels by Nepal and also the difficulties being faced by Indian joint ventures in the country. He underlined the importance of lifting restrictions on Indian entities in Nepal at the earliest in the interest of India-Nepal friendship.

8. On the question of military supplies, EAM conveyed that the matter remained under constant review by the Indian side.¹



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1. The spokesperson answered some questions at his press briefing on the same day about the visit of Nepalese Foreign Minister. They were:
- Question:** Did he convey any deadline for the restoration of democracy in Nepal?
- Answer:** He conveyed the King's assurance that steps are being taken to relax some of these measures in the near future.
- Question:** On the one hand stopping the military aid is a symbol of fighting the monarch, while on the other it might come in the way of fighting Maoists. What is your take on that?
- Answer:** Our take on this is that keeping in view these developments that took place and our statement of February 1, it has been decided to keep the issue of military supplies under constant review and no supplies have been delivered since February 1.
- Question:** Do you have a read out on other engagements on the Foreign Minister of Nepal?
- Answer:** It is a working visit so I do not have a programme here.
- Question:** Is he meeting the Prime Minister?
- Answer:** I do not have anything on that. I do not think he is meeting the Prime Minister. If he was I would have had something.
- Question:** What was the request from Nepali Foreign Minister?
- Answer:** I think I have given a very detailed account of what he said. Basically, he stated his position and he has taken on-board our position and said that he will go back and convey that to His Majesty the King of Nepal.
- Question:** Was the Nepalese Foreign Minister invited by us?
- Answer:** He has come here on a working visit. He has been received, as you know, by the External Affairs Minister for discussions. It is not a State Visit in which invitations have to go and come and acceptances have to be conveyed. This is a working visit to discuss the situation.
- Question:** Since February 1 has there been any request from Nepal for military aid?
- Answer:** You have to just step back and see there was a certain amount of assistance and aid being given, certain amount of training being given for several years to the RNA. Keeping in view the developments that took place it was decided to review the situation and while reviewing the situation it was decided that no supplies should be sent after February 1.
- Question:** *Has he again today renewed the request for military assistance?*
- Answer:** *I do not have so much of details. But he was, of course during the talks told that the question of military supplies is under constant review.*
- Question:** The Nepalese Finance Minister is on record saying that stopping of aid will help the terrorists. Did the Foreign Minister make a similar...?
- Answer:** Stopping of aid means stopping of development aid. When you are talking of developmental aid, we haven't (stopped it). The logic of reviewing the military aid etc is to see what the purpose of the military aid is, who is it helping, where is it going, what purpose is it performing. When the government is not sure on these counts then we have to keep this under constant review. The statement that this is actually going to strengthen the Maoists is up for speculation and therefore the need for constant review.

NOTE *The text in italics is translation from Hindi.*

142. Question in the Lok Sabha: “Maoists’ Activities in Border Areas”.**New Delhi, March 23, 2005.****Will the Minister of External Affairs be pleased to state:**

- (a) whether the Union Government is aware of the growing activities of the Maoists in the country particularly in the border areas;
- (b) if so, the details thereof;
- (c) whether the Union Government has drawn or proposes to draw the attention of the Nepalese Government towards the increasing incidents of Maoists’ activities in border areas; and
- [d] if so, the details thereof?

The Minister of State in the Ministry of External Affairs (Rao Inderjit Singh) :

(a),(b),(c) & (d) Government of India is aware of and concerned about the implications of the growth of Maoist insurgency in Nepal because of the open border and the links between Nepal’s Maoists and Left Wing Extremist and other groups in India. The Maoist insurgency in Nepal has also fuelled migration of Nepalese into our border States. His Majesty’s Government of Nepal is aware of these concerns. Government of India has also taken steps to strengthen security in border areas and the Sashastra Seema Bal has intensified its patrolling along the India-Nepal Border¹.



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1. Media reports quoting official sources said on June 9 that rising Maoist insurgency and economic hardships were causing an exodus from Nepal into India leading to “large population transfer” from Himalayan Kingdom into India in the past few weeks. It was stated that many Nepalese villages were being abandoned as the major checkpoints along the border witnessed about double the normal flow. This phenomena was all the more discernable since the Nepalese economy showed no signs of recovery and the army too failed to check the menace of militancy. That the left-wing extremists expanding influence in as many as 12 Indian States and the CPI(Maoists) external linkages with the Nepalese Maoists remained a top security concern of the Indian security establishment was articulated by the Indian Home Minister Shivraj Patil on June 15 while speaking to the governors of the Indian States at the annual Governors’ Conference in New Delhi.

143. Press report of the meeting between the Indian Foreign Secretary Shyam Saran and the Chinese Foreign Minister Li Zhaoxing on Nepal situation.

Beijing, March 31, 2005.

India on May 26 restated its concern over the situation in Nepal and hoped that Chinese Foreign Minister Li Zhaoxing, currently visiting the Himalayan Kingdom, will give the "right" advice to King Gyanendra to restore normalcy and democracy there. "I expressed the hope that China as a good friend of Nepal will give the right kind of advice to the Nepalese," Foreign Secretary Shyam Saran said in an interview in Beijing.

(Saran called on Li prior to the latter's departure for Nepal on an official visit, the first by a senior foreign official since Gyanendra's February 1 power grab. Li said that just as India is very much concerned about instability in Nepal, so is China. The Chinese Foreign Minister, who recalled that Saran had been earlier India's Ambassador to Nepal, asked for India's assessment of the situation in Nepal.)

Saran confirmed that he gave India's assessment of the situation in Nepal after February 1, 2005. "I said that the steps taken by His Majesty, the King has not led to either an improvement in the security situation in the country nor led to any economic recovery in the country. In fact, our sense is that in both these areas, the situation has become somewhat worse", Saran said.



144. Press Statement on the release of former Nepalese Prime Minister G.P. Koirala from detention.**New Delhi, April 1, 2005.**

Government of India welcomes the release today of Mr. G.P. Koirala, President of Nepali Congress and respected senior political leader, who had been under detention at his residence. We hope that this step and the earlier release of Mr. S.B. Deuba, President, NC(D) will be followed by the immediate release of UML General Secretary Mr. Madhav Kumar Nepal and other political leaders and workers, human rights activists, student leaders, media personnel and civil society representatives presently detained under emergency provisions.

Government of India calls for the removal of all curbs on civil liberties and fundamental rights and the lifting of media censorship and restrictions on movement to enable the people of Nepal to enjoy their legitimate constitutional and democratic rights. We believe that this would pave the way for the beginning of a process of reconciliation between the constitutional forces leading to a restoration of multi-party democracy. It has always been our conviction that a broad national consensus is necessary to address the serious challenges confronting Nepal. India will continue to support all efforts in this direction.



145. Extracts from the interview of External Affairs Minister K . Natwar Singh with Karan Thapar for BBC's 'Hard Talk - India'

New Delhi, April 8, 2005.

The following extract was relevant to Nepal.

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Shri Karan Thapar : ...Let us move to the situation with India's neighbouring countries. You have taken a very strong line against King Gyanendra's assumption of direct power in Kathmandu. The Americans, the British and the European Union have supported you. But, have you got the response from Kathmandu you were hoping for?

External Affairs Minister : No, we have not got. But, it is encouraging to see that Mr. Koirala has been released; Mr. Deuba has been released; and I hope Mr. Nepal, the former Foreign Minister, will also be released. Our relations with Nepal are unique. They are extremely close. We do not need visas to go there and they do not need visas to come here.

Shri Karan Thapar : But you said a very important thing a moment ago that you have not got the response you were hoping for.

External Affairs Minister : We have not. But we would like him to unwind. The emergency should be ended and the political parties ...

Shri Karan Thapar : Far from unwinding, the impression he gives is that he is not really listening to you, he is refusing to meet your Ambassador since the gentleman returned, and he is making trouble, to use a colloquialism, for Indian companies in that country.

External Affairs Minister : Again, it is a very distressing situation. We are a very large country. We have to be excessively sensitive to the feelings of the Nepalese and the Nepal's establishment. What Nepal needs today is both a Constitutional Monarchy and democracy so that we can deal with Maoists.

Shri Karan Thapar : In the way you handled this situation, let me put it to you, a point your critics often make, have you overplayed your hand? Have

you boxed both yourself and the King into a corner and made each other defensive rather than responsive?

External Affairs Minister : On the contrary, this is not the first time this situation has arisen in the last fifty years. We have lived with it again and again. When it happened in 1988 I had to go and meet his brother.

Shri Karan Thapar : So, it is a game of bluff that you are playing, and you are waiting to see who blinks first.

External Affairs Minister : No, it is not a game of bluff. It is a game of diplomatic patience and to use maximum restraint. We have all the leverage. We are not going to use any leverage. We are hoping His Majesty will be able to see what the reality is.

Shri Karan Thapar : And if he does not, then what?

External Affairs Minister : We will wait and watch.

Shri Karan Thapar : How long will you wait and watch?

External Affairs Minister : We have a great capacity for waiting.

Shri Karan Thapar : Do you mean, infinite patience?

External Affairs Minister :: Yes, we have, as far as Nepal is concerned.

Shri Karan Thapar : But if you are going to be infinitely patient, then why did you bother to act adversely in the first place? Why were not you more understanding of his problems?

External Affairs Minister : How do you know we were not? We have conveyed everything to His Majesty. The fact that he has not met our Ambassador, it is unfortunate. But that does not mean that we are going to turn our face. We are deeply interested in the welfare of the Nepalese people. We are deeply interested in containing the Maoist insurgency and for that His Majesty needs the functioning of Parliament, having elections, and unwinding emergency.

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146. Response of Official Spokesperson to a question on the meeting of India's Ambassador to Nepal Shiv Mukherjee with King Gyanendra.

New Delhi, April 15, 2005.

"The Indian Ambassador in Nepal met His Majesty the King of Nepal today. The meeting lasted for over an hour. The Ambassador shared Government of India's assessment on the current situation. He underlined the Government of India's commitment towards peace and stability in Nepal. The King conveyed his views and his perceptions on the situation in the country, and recent developments."¹



147. Press release of the Ministry of External Affairs on the meeting between External Affairs Minister K. Natwar Singh and King Gyanendra in Jakarta.

New Delhi, April 22, 2005.

External Affairs Minister Shri K. Natwar Singh had a one-on-one meeting with His Majesty King Gyanendra of Nepal on the sidelines of the Asian African Summit in Jakarta on April 22, 2005. The meeting lasted 45 minutes and was held in a cordial atmosphere².

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1. According to informed media reports, during the meeting while he demanded release of political prisoners and lifting of emergency and resumption of political process, the Ambassador also conveyed to the King that India had reconsidered its position on Nepal and was prepared to resume military aid if the King at least took some action towards normalization of the political process in Nepal.
 2. The meeting signaled the end of Nepal's isolation imposed by India since February 1 seizure of power by the King and declaration of emergency. The Prime Minister Manmohan Singh met the King the next day on April 23 on the side lines of the Jakarta Afro - Asian Summit. India's decision to open a dialogue with the King was conveyed by the Indian Ambassador Shiv Mukherjee when he met him the previous week after a gap of more than two months. According to media reports there was a clear understanding between the two leaders that the contents of the understanding arrived at would not be made public. At his press conference in Jakarta the Prime Minister only said that India's concerns about recent developments in Nepal were prompted by its belief that the "twin pillars" of constitutional monarchy and multi-party democracy must work in harmony. On the question of arms supplies, the PM only said that the King had raised this issue and "I said we will look at these things in proper perspective". In an official briefing to the Indian media in Jakarta after the meeting the Secretary (East)

Both sides re-affirmed their commitment to the traditionally close ties between India and Nepal. While welcoming the release of some political leaders and announcement of municipal elections, EAM urged that a process of reconciliation be initiated between political parties and the constitutional monarchy leading to a restoration of multi-party democracy in Nepal. EAM conveyed India's strong belief that the problems confronting Nepal, including the Maoist insurgency, could only be addressed on the basis of a national consensus between the two constitutional forces in Nepal. In this context, EAM called for a speedy release of the remaining political leaders, the lifting of the Emergency and media-censorship.

H.M. the King explained the circumstances that led to the Declaration of the Emergency and outlined the steps that he had already taken and proposed to take soon to lift the Emergency and restore democratic processes in Nepal.

H.M. King Gyanendra conveyed that he was greatly looking forward to meeting the Prime Minister of India on the sidelines of the ongoing Summit in Jakarta.



Rajiv Sikri would not comment on the military supplies issue. He said that the two leaders had deliberated on the situation in Nepal and had agreed that it was necessary to restart the political process without delay as this would allow Kathmandu to deal with the Maoist insurgency. Therefore immediately on return to New Delhi from Jakarta, the Prime Minister took the earliest opportunity to brief the Left parties supporting the government about his meeting with the King. The 25th April meeting took place in the backdrop of reports that the Left parties had taken strong objection to the Government's decision to resume military supplies when there was no visible change in the ground situation in Nepal. In a statement issued on April 24 the Polit Bureau of the CPI (M) said: "If the report is true, it is a wrong and unjustified step. The Indian Government had correctly decided to stop military supplies after the King of Nepal had suppressed parliamentary democracy and imposed an emergency." "The UPA Government must realize that the appreciation and goodwill it earned with its firm stand in defence of democracy and popular government in Nepal will disappear and it will be held responsible for abetting the King's authoritarianism," the statement added. The statement observed that even the municipal elections that have been announced are "farfical and cannot be a substitute for the full restoration of parliamentary democracy and having an elected government". The sister CPI also wanted the Government to clarify its stand on the issue and felt the political parties and Parliament should be taken into confidence. The CPI National Secretary D. Raja described it as strange that the King should have announced what the Indian Government planned to do. The General Secretary of the CPI, A.B. Bardhan was equally scathing in his remarks when he expressed his concern on the reports. He said "we find it objectionable. India should not do any thing to give legitimacy to the present regime in Nepal...this only strengthens the King." The leader of the National Democratic

148. Extracts from the press conference by Prime Minister Dr. Manmohan Singh.

Jakarta (Indonesia), April 23, 2005.

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The King of Nepal had sought a meeting with me and I used this opportunity to convey our concern to him about the situation in his country, with which we have the closest ties. You have already been briefed about this meeting earlier. You have also been briefed about the External Affairs Minister's discussions with His Majesty yesterday. Let me reiterate that I emphasized the importance of the setting out a road-map for re-starting the political process in Nepal without delay. The King assured me of the necessary steps. We shall continue to pay close attention to further developments.

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Question : Sir, have you contacted the King of Nepal ... (Inaudible)...

Moderator : Let me take all the questions on Nepal together. Are there any other questions on Nepal?

Question : Is... acknowledged by the King that ... (Inaudible)...

Prime Minister : I met His Majesty the King. He had asked for a meeting.

Alliance George Fernandes on April 25 urged the Prime Minister to rescind the decision to resume military assistance to Nepal. In a letter to the Prime Minister he said that looking at the prevailing situation in Nepal it was apprehended that most of the weapons would land in the hands of the Maoists. "The least we should have done is to ask the Nepal King to restore democracy as a pre-condition to secure weapons from India", he said.

According to media reports, a high level meeting was held on April 25 at the Prime Minister's Office (PMO) to discuss the Nepal situation and see how to calibrate the next move. It was attended by the External Affairs Minister, the Defence Minister and the National Security Advisor MK Narayanan. The daily *Times of India* quoted MEA sources to say that the PM's statement that supplies should be seen in "the proper perspective" would guide the Indian action. At the bottom of India's consideration was the Prime Minister's statement that while "we can choose our friends, we cannot choose our neighbours". In the backdrop of a deteriorating defence situation in Nepal, the Government of India did not feel it was in India's interest to leave the field open for the Maoists to gain a possible upper hand. It was also discreetly made known that the supplies now being planned to be sent to Nepal were not fresh indents but that were already in the pipeline before the freeze came into effect. Given the state of disarray that the political parties in Nepal found themselves in – even after the body blow delivered by the King – India may well end up the only champion of democracy in Nepal.

Being our close neighbour, a country with which we have standing civilisational ties, very intimate relations, I did agree to meet His Majesty. He gave me an account of circumstances, compulsions, in which he had to take the action which he did take. I explained to him that as a close neighbour and friend of Nepal, a country with which we have a unique relationship, we have always regarded Constitutional Monarchy and multiparty democracy as the twin pillars of the Nepali polity. In the light of events in recent months, our concerns and our actions have been prompted by this recognition that these twin pillars must work together in harmony. We discussed the situation and his perspective on the evolving situation. I did suggest to him that it is important to take effective measures to restart the political process, and to work out a roadmap to this purpose. His Majesty was quite sensitive to these concerns. Therefore, on the whole I think the meeting was constructive in terms of its outcome.

Question : What about the ...(Inaudible)...(resumption of military supplies)

Prime Minister : His Majesty raised that issue with me and I said we will look at the things in proper perspective.¹



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1. Later on May 10 when returning from Moscow, in reply to a question from the media accompanying him on board the flight, the Prime Minister said "Arms aid to Nepal are continuously under review. We have very close, intimate relations. Nepal is our closest neighbour. What happens there has implications for us. So, this question has been kept under constant review." Adding he said: "Whatever is in the pipeline, we cannot hold it back for a long time." Replying to another question whether he was ambushed by the Nepalese King in Jakarta while making public the fact that India had agreed to resume military supplies, he said: "I would not like to comment on the meeting that I had. I had a very good meeting with His Majesty. What I told him, I have already shared with you people. My advice to His Majesty was that he should restart the political process, outline a roadmap which would bring back democracy to Nepal, that our conviction was that constitutional monarchy and multiparty democracy are the twin pillars of the Nepalese polity, and that both these pillars must be strengthened and work in harmony with each other." It may be recalled that soon after the meeting between the Prime Minister and the Nepalese King there was a press conference by the Secretary (East) Rajiv Sikri who only said that the two leaders "deliberated on the situation in Nepal. It was agreed that it was necessary to restart the political process without delay, and that this in turn would enable His Majesty's Government to deal with the Maoist insurgency. Accordingly, His Majesty informed the Prime Minister that the political process in Nepal would be restored as early as possible. Their conversation was frank and cordial. Both emphasized the unique nature of India-Nepal relations. The meeting lasted forty-five minutes. The External Affairs Minister Mr. Natwar Singh was also present during the discussions." When asked if the question of military assistance was discussed, Sikri said he had "nothing to add to what I have already stated."

149 Extract from the media briefing by Official Spokesperson on the visit of UN Secretary General Kofi Annan.

New Delhi, April 27, 2005.

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Question: In Nepal former Prime Minister Sher Bahadur Deuba has been arrested and Prime Minister in Jakarta had said that India would see these things in perspective. What is your response on Mr. Deuba's arrest and what is the situation as far as the question of sending arms to Nepal is concerned now?

Answer: Let me first give you a response on the arrest and I think all the other issues follow from what the Prime Minister has stated in Jakarta. Government of India is deeply concerned at the re-arrest of the former Prime Minister and Leader of Nepali Congress (Democratic), Mr. Sher Bahadur Deuba early this morning. We are also concerned that the arrest and detention of political leaders, student leaders and workers of political parties continue, as do the restrictions on travel and movement of some academicians, human rights activists and students, contrary to assurances conveyed to us.

We believe that these developments would further complicate efforts for reconciliation between political parties and the Constitutional Monarchy in Nepal. It has always been India's conviction that the problems confronting Nepal today can be addressed effectively only on the basis of national consensus between the two constitutional forces.

As far as the second part of your question is concerned it follows from what Prime Minister said, that we will see that issue in the proper perspective, which means that all factors and all developments will be taken into account.

Question: When you say that contrary to Nepali assurances, are we saying that the consignment of arms that was being talked about in the last few days will be reviewed?

Answer: I think the presumption that lies under your question; I am not quite inclined to be in agreement with. I think as far the issue of defence supplies to Nepal is concerned the statement that the Prime Minister made

was very clear - this was raised and this will be considered in the proper perspective. So, I would not fully agree with the presumption that you are making.

Question: I have not yet fully understood what the proper perspective means?

Answer: I am not going to be able to second-guess that statement and to define what the proper perspective means. Obviously, when we say it will be considered in the proper perspective it means that we would take into account all developments, all situations and balanced decisions will be taken.

Question: Which means that the consignment that was supposed to go is that on board?

Answer: I am not going to say anything more on this. When the Prime Minister himself has spoken, I would not try to read meanings into it.

Question: Has there been any conversation between India and Nepal since the arrest of Mr. Deuba last night?

Answer: Not to my knowledge but I will have to double check.

Question: What did the UNSG say on Nepal?

Answer: I must tell you that delegation level talks are confidential in nature. I have tried my best to give you a flavour of the discussions without breach of confidentiality. Let me say that on Nepal there was an exchange of views. As you know the External Affairs Minister as well as the UN Secretary General both had called on King Gyanendra in Jakarta. So, they obviously have had discussions with him which they could share. So, Secretary General gave his assessment of the meeting and the situation.

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150. Statement by the Indian External Affairs Minister K. Natwar Singh in the Rajya Sabha on “Recent Developments in Nepal.”¹

New Delhi, April 28, 2005.

As soon as we learnt about the arrest of the former Prime Minister, Shri Deuba, we have issued a very strong statement regretting it and deploring it. After His Majesty, the King's meeting with our Prime Minister and his meeting with me, he has given assurances that he would be unwinding the emergency, and that he would be releasing the remaining prisoners. I certainly named Mr. Nepal who has not been released. So far as the military aid is concerned, it is constantly under review and it will remain under review in view of what has happened. Soon after assuring us that he is going gradually to unwind the services of the Press, release prisoners and allow Indian TV channels to be shown in Nepal, he told us, I do not want to go into details, certain areas in which he wanted our help. As the House knows, our relationship with Nepal is unique. No Nepalese needs a passport to visit India and no Indian needs a passport to visit Nepal. Around six millions Nepalese are working in India and they are welcomed. The fact of the matter is that for the last three months the situation in Nepal deteriorated rapidly. There is a firm belief of the Government and, I think, of the whole House that Nepal needs both constitutional monarchy and democracy, and the Prime Minister and I both emphasised to the Majesty that he must restart the political process, meet all the political party leaders,

1. The matter in the House was raised by Shri Nilotpal Basu who drew the attention of the House to the developments that are taking place in neighbouring Nepal. He referred to the arrest of former Prime Minister of Nepal Sher Bahadur Deuba and particularly drew attention to the death of the former Minister in the UML regime, Shrimati Sadhana Pradhan whose death was not reported in the Indian media. He said that the security forces attacked some of the people who came to pay their last respects to the departed leader. Besides, the office of the Nepalese Communist Party (UML) was also attacked. Mr. Basu said: “Since the hon. Prime Minister and the hon. External Affairs Minister are there, we are not saying that we should not engage with them, but the point is that battle for democracy which is going on in Nepal against Maoist extremist elements cannot be fought in this manner. The entire democratic forces have to be mobilised and India, given her tradition, her political position and her great role in the neighbourhood, should not be seen as supportive of a regime, which is going berserk. I think this has reached a stage where everybody in the neighbourhood and in the whole world is watching us. Therefore, we would urge upon the Government that we should do everything possible to continue and engage with the Nepali regime, but we cannot afford to put all our eggs in the single diplomatic basket of the beleaguered regime that is there in Nepal.”

and from there ensure that elections are held and Parliament is recalled and the Government is formed. To none of these, he said 'No'. He did say that he will take time in certain areas where he finds that Maoists activities are extreme and I will take the House into confidence. I do not want to go into details of it, but I want to say that it is a matter of very deep regret that when His Majesty, the King, goes back after his talks with the Prime Minister of India, the Foreign Minister of India and the UN Secretary-General, who expressed similar views to His Majesty during his stay in China, an announcement is made that a person no less than a previous Prime Minister of Nepal is arrested on charges which are yet to be proved. ...Our difficulty is...(Interruption). No, we have briefed all your leadership on this matter in great detail only before...

Shri Nilotpal Basu : What I am saying is that funeral has been attacked.

Shri K. Natwar Singh : I am just coming to that. Regarding the funeral of the lady you mentioned, I really don't have the details, but we will find out the details as to what has happened. I think, it is deplorable, and it is very sad indeed. Our difficulty is that because of the unique relationship with Nepal, because of being a sovereign country, our country is a huge country, has historical links with them, India had all the leverages; we have not used any of them. We want to resolve this in an amicable and friendly manner as we possibly can, so that democracy is restored, Maoists are contained, political process starts and the people of Nepal do not suffer in any way. That is our policy.



151. Response of Official Spokesman to a question on the lifting of emergency in Nepal.

New Delhi, April 30, 2005.

“We welcome the lifting of the emergency in Nepal as a first step towards the beginning of a political process in that country. We call for the release of all political leaders still in custody and the restoration of civil liberties, which would open the way for reconciliation between the two constitutional forces. It has been our consistent view that multi-party democracy represented by political parties and the constitutional monarchy should work together to address the serious challenges facing Nepal today¹.”



152. Response of Official Spokesperson to the release of Communist Party (UML) leader Madhav Kumar Nepal.

New Delhi, May 2, 2005.

In response to a question the Official Spokesperson welcomed the release of Mr. Madhav Nepal and expressed the hope that all other political leaders would also be released soon.



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1. The Indian External Affairs Minister in his personal reaction told journalists in New Delhi that was a first step towards restoration of political process. “We, Prime Minister and myself had conveyed to King Gyanendra that political process should be restored, political prisoners should be released, emergency should be lifted and Indian channels should be allowed to be aired and processes should be started which culminate in multi-party elections,” said EAM adding “this is the first step.” Ambassador SS Mukherjee was also called to New Delhi for consultations to review the situation in Nepal. (Political parties in Nepal while welcomed the decision to lift emergency said it was not enough as press censorship remained and hundred of political activists continued in detention. They asked for restoration of the Constitution and return of executive powers to the people’s representatives. Nepali Congress President Girija Prasad Koirala alleged that the lifting of emergency imposed on February 1, was a move to “deceive” the international community, which was exerting tremendous pressure for the revival of democracy. Political prisoners were not released and press censorship had not been lifted, he told reporters. Mr. Koirala demanded the formation of an all-party government as well as the reinstatement of Parliament to end the political stalemate).

153. Media briefing by Official Spokesperson regarding resumption of military supplies to Nepal.

New Delhi, May 10, 2005.

In keeping defence supplies to the Royal Nepal Army under review, the Government of India had conveyed to His Majesty's Government of Nepal the need to lift emergency and media censorship and release all political party leaders and activists. His Majesty's Government of Nepal was also advised to take the initiative to bring the political parties and the institution of monarchy together in a broad national effort to deal with the political and economic challenges facing Nepal. In meetings that he had with Prime Minister Dr. Manmohan Singh and External Affairs Minister Shri K. Natwar Singh in Jakarta last month, His Majesty the King of Nepal had indicated his intention to take steps towards these objectives. In this context, our Prime Minister had agreed to consider the issue of supplies to the Royal Nepal Army in the proper perspective.

With the lifting of the Emergency in Nepal on April 29, 2005 and the release of several political party leaders and activists, the Government of India has decided to release some of the supplies currently in the pipeline, including vehicles. It is our expectation that in the coming days, His Majesty's Government of Nepal will take further and early steps towards the restoration of multiparty democracy and constitutional monarchy, which remain, in our view, the two pillars of political stability in Nepal and for meeting the challenges of the Maoists.

This message has been conveyed by our Ambassador in Kathmandu to His Majesty the King of Nepal during his meeting on May 9, 2005¹.



1. On the same day the Prime Minister while returning to Delhi from Moscow told the journalists accompanying him on his special flight that the military supplies to Nepal were under review and that those that were already "in the pipeline" could not be held back. A day before the message was conveyed to the King by the Ambassador, Home Minister Shivraj Patil told a Nepalese delegation at the SAARC Conference of Parliamentarians and NGOs in New Delhi that "We are choosing our policies with an intention to see that democracy is restored in Nepal" and that the democracy there thrived and not threatened. Later on May 15 the National Security Advisor MK Narayanan told daily *the Hindu* in Palakkad (Kerala) where he was on a private visit that India resumed arm supplies to Nepal only after getting

154. Response of Official Spokesperson to a question on the Common Programme announced by the Nepalese Political Parties.

New Delhi, May 16, 2005.

Government of India welcomes the common programme announced by major Nepalese political parties to address the challenges facing Nepal. Together, the seven political parties represent about 95% of the erstwhile Pratinidhi Sabha¹ of Nepal.

The common programme underlines the key goals of restoration of multi-party democracy and resolving the violent conflict in Nepal. It presents a roadmap with detailed steps required to attain these objectives.

The programme represents a good basis for discussion and commencement of a dialogue between political parties and the monarchy.

It has been the consistent view of the Government of India that a broad national consensus amongst the constitutional forces is necessary to address the country's problems, including the insurgency.

Government of India will support all efforts aimed at restoring political stability and economic prosperity in Nepal.



a "categorical assurance from King Gyanendra that democracy will be restored to Nepal." He denied media reports of differences between the Defence and the External Affairs ministries on this question because the decision was taken by the Union Government after it was convinced that democracy would be brought back in Nepal. Once the government took the decision, there was no question of its Ministries opposing or supporting the move. Asked if the decision to supply arms to a country where democracy had been crushed would damage the reputation of India as a champion of democracy in the world, Mr. Narayanan said India was not acting as a big brother in the region it was only going by the ground realities and the assurances given by the King of Nepal. If Nepal went back on its promise, India could revise its stand on restoration of arms supply and other issues, he said.

1. House of Representatives

155. Media briefing by Official Spokesperson on the meeting of the Maoist leader Baburam Bhattarai with Communist Party of India (Marxist) leader Prakash Karat.

New Delhi, May 26, 2005.

Official Spokesperson: Good evening. Looking at this morning's newspapers, there were several stories related to Nepal. I have a short statement to make

There is no change in respect of our policy with regard to the CPN (Maoists). We unequivocally condemn their terrorist and violent activities that have caused enormous suffering to the people of Nepal.

It is our conviction that there is no purely military solution to the Maoist insurgency. Durable peace and stability in Nepal can only be achieved through a political settlement, which, among other things, requires the Maoists to forswear armed struggle and lay down their arms.

India is committed to supporting all efforts at restoring peace, political stability and economic prosperity in Nepal.

Question: Has Mr Bhattarai met Mr. Prakash Karat?

Answer: I have a denial, which has been issued by Mr Karat. So, I do not think that I need to add anything to that.

Question: Do you think there is a ban on talking with the Nepalese Maoists?

Answer: I do not think that I have to comment on such kind of large, speculative issues. I mean talk on what issues, in which forum, which leader to whom? I am not prepared to answer questions on such a wide basis.

Question: If there cannot be a purely military solution then we have to talk...

Answer: There is no purely military solution to the Maoists insurgency. This is a problem which is happening in Nepal and our position on Nepal you know.

Question: Was this denial issued today?

Answer: Yes, May 26. This is a press statement, which has been issued. It

say that “the report in the Times of India that I have met the Maoist leader from Nepal in a meeting arranged by the Indian Security Agencies is untrue. No such meeting was held”.

Question: Can you confirm or deny whether Babu Ram Bhattarai was in Delhi?

Answer: I have no information. There is already a denial by the General Secretary of CPI(M). Whether or not a particular individual is in a country, on that I have no information.



156. Press release of the Ministry of Defence on the meeting between the Defence Minister Pranab Mukherjee and the leader of the Nepali Congress Girija Prasad Koirala.

New Delhi. June 6, 2005.

The former Prime Minister of Nepal and Leader of Nepali Congress Shri Girija Prasad Koirala called on the Defence Minister Shri Pranab Mukherjee here today. Shri Mukherjee conveyed India's concern over the current developments in Nepal, which could also have an impact on India, given the fact that the two countries have an open border. He reiterated India's consistent stand that in order to deal with the political and economic challenges which Nepal face it was imperative that the political parties, on the one hand, and the institution of the monarchy on the other, should work together to evolve a broad national consensus.

The Defence Minister expressed Indian's appreciation over the role Shri Koirala has played in bringing together the seven mainstream parties on an agreed platform which could be the basis for a dialogue on an eventual political settlement based on multi-party democracy and constitutional monarchy. On the issue of arms supply the Defence Minister conveyed that the matter would remain under constant review.



157. Statement of Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and the Nepali leader Girija Prasad Koirala.

New Delhi, June 8, 2005.

External Affairs Minister, Shri K. Natwar Singh met Mr. Girija Prasad Koirala, Leader of the Nepali Congress this evening. The two leaders exchanged views on the situation in Nepal and its implications for both countries. Shri K. Natwar Singh conveyed the strong support of the Government of India for all efforts aimed at restoring multi-party democracy and constitutional monarchy in Nepal. As a first step, this requires that a process of national reconciliation and dialogue should begin, he said. External Affairs Minister reiterated our conviction that the multi-dimensional and complex challenges facing Nepal can only be addressed by forging a broad national consensus on an eventual political settlement. Mr. G.P Koirala informed Shri K. Natwar Singh about the common agenda and roadmap for the way ahead prepared by seven political parties. External Affairs minister welcomed this initiative which, he said, provides a good basis for a dialogue¹.



158. Response of Official Spokesperson to a question on the verdict of the Royal Commission for Corruption Control (RCCC) against former Prime Minister of Nepal Sher Bahadur Deuba.

New Delhi, July 29, 2005.

In response to a question on the verdict of the Royal Commission for Corruption Control (RCCC) against former Prime Minister of Nepal, Mr.

1. When asked about the meeting of Foreign Secretary with G. P.Koirala, the Spokesperson said: "The meetings are continuing." When asked about the reaction on a blast in Chitwan district of Nepal, the Navtej Sarna replied: "Yes I do have a reaction. The Government of India condemns the heinous bomb blast in the Chitwan district of Nepal in which so many innocent civilians lost their lives and many were injured. India has always believed that recourse to violence and terrorist activities cannot be justified under any circumstances, and those responsible should be brought to justice. We extend our heartfelt condolences to His Majesty's Government of Nepal and to the bereaved families and pray for the speedy recovery of those who have been injured."

Sher Bahadur Deuba the Official Spokesperson said:

“It is regrettable that harsh sentences have been meted out to the former Prime Minister Mr. Deuba and former Minister Mr. Prakash Mansingh, by the RCCC in the Melamchi Water Supply Project case. We have noted that the Asian Development bank, which is a major financier of the project, have publicly clarified after thorough investigations that they did not find any evidence of collusion or other corrupt fraudulent practices among those involved in the bidding process for the contract.

It has always been our view that reconciliation between democratic and constitutional forces is imperative in order to address the critical issues facing Nepal.

We believe that the decision of the RCCC would only further vitiate the atmosphere and complicate efforts for reconciliation.”



159. Press release issued by Ministry of External Affairs regarding recent developments in Nepal

New Delhi, September 5, 2005.

Government of India has taken note of the recent developments in Nepal, including the decisions taken by the Nepali Congress and the UML, the views expressed by civil society representatives in their public meetings and the announcement of a unilateral ceasefire by the Maoists.

We believe that the problems of Nepal can only be addressed on a durable basis through a process of dialogue and reconciliation in an atmosphere free from violence and terror. We hope that the ceasefire announced by the Maoists will contribute towards creating an environment in which a peace process can begin.



160. Response of Official Spokesperson to a question on the new Ordinance signed by King of Nepal imposing additional curbs on media.

New Delhi, October 13, 2005.

In response to a question on the new Ordinance signed by King of Nepal imposing additional curbs on media the Official Spokesperson said:

“Though we have not yet seen the text of the Ordinance, we understand from media reports that several additional restrictions have been imposed on the media. We have always believed that a free and independent press is necessary of the people to enjoy their fundamental rights and democratic freedoms. Curbs on the freedom of expression and media, which is a fundamental pillar of democracy will inevitably be counter-productive. We hope that the Ordinance would not be used to curb the freedom of expression and of the press in Nepal.”



161. Briefing points by Official Spokesperson on the meeting between Prime Minister Dr. Manmohan Singh and King of Nepal.

Dhaka, November 13, 2005.

- Prime Minister of India had a cordial meeting with His Majesty the King of Nepal this morning.
- Prime Minister reiterated to His Majesty the importance of restoring multiparty democracy in Nepal as early as possible and the need to take concrete steps in this regard. He said that this would not be possible without the involvement of political parties.
- His Majesty conveyed to Prime Minister that he remained committed to multiparty democracy and recognized that this would not be possible without involvement of political parties. He said he was prepared to take steps to bring about the restoration of multiparty

democracy with the involvement of political parties as early as possible.

- The two leaders agreed on the importance of maintaining and consolidating the traditionally close and friendly relations between the two neighbouring countries¹.



162. Response of Official Spokesperson in response to a question on the 12-point understanding between political parties and Maoists in Nepal.

New Delhi, November 23, 2005.

In response to a question on the 12-point understanding between political parties and Maoists in Nepal the Official Spokesperson said:

We have seen newspaper reports about an understanding between the Maoists and the political parties in Nepal for the restoration of multi-party democracy and the return to political normalcy.

It has all along been the position taken by the Government of India that there is no purely military solution to the challenges facing Nepal, including the Maoist insurgency. India has, on the one hand, urged the institution of monarchy to work together with the political parties, and on the other hand, called upon the Maoists to abandon the path of violence, accept the discipline of multi-party democracy and work for a political settlement that contributes to political stability and economic prosperity of Nepal. It remains to be seen whether the Maoists are genuinely prepared to live up to their commitments and refrain from acts of violence and extortion.

1. On November 16 the Foreign Secretary while releasing a book in New Delhi said that India was engaged with all actors in Nepal and it welcomed the assurance given by the King to Prime Minister during their meeting in Dhaka. He said: "The Prime Minister told the King that he needs to look at political parties as allies. The King said he believes in multi-party democracy and that cannot be without political parties involvement. The King said he thought a road-map was needed and added that in the coming days he will get to see something of it." The stake for India in Nepal was very high and if the monarchy wished New Delhi could play a constructive role. "But it will not be able to do it if it is seen to participate in the pell-mell. We can't micro-manage the events in Nepal. But if we can nudge it towards political stability and economic recovery, we should be happy," Foreign Secretary said.

India, as Nepal's close and friendly neighbour, hopes that conditions of peace and stability and economic development will soon be restored in the country with the sincere efforts and contributions of all concerned.

India believes that all outstanding issues ought to be resolved through the efforts of the people of Nepal themselves and that the role of international community should be limited to support these efforts.



163. Interaction by Foreign Secretary Shyam Saran with the media in Kathmandu.

Kathmandu, December 13, 2005.

I am happy to be back in Kathmandu after a gap of a year and a half. My visit is a follow up to the cordial and friendly meeting between His Majesty the King of Nepal and our Prime Minister recently in Dhaka during the SAARC Summit. Both leaders had agreed that given the long-standing as well as wide-ranging relations that exist between our two friendly neighbouring countries, it was important for us to remain in touch regularly, at different levels, in order to consolidate and expand our relations.

During this visit, I had wide-ranging and fruitful discussions on a range of issues of mutual interest and concern. His Majesty was gracious to grant me an audience today. I also had discussions with Their Excellencies the two Vice-Chairmen of the Council of Ministers, the Foreign Minister and the Home Minister and met Acting Foreign Secretary of Nepal. There was opportunity to interact with several political party leaders¹ as well. I was also happy to meet a number of old friends and acquaintances.

In all my meetings, I have conveyed that the restoration of peace and stability and economic recovery in Nepal is not only in the interest of Nepal but also in India's interest. India stands ready to support all efforts

1. Prominent among the political leaders the Foreign Secretary met were: Acting President of the Nepali Congress (Democratic) Gopal Man Shrestha, The President of Nepali Congress Girija Prasad Koirala, and Nepal Communist Party – UML General Secretary Madhav Kumar Nepal. On arrival in Kathmandu on December 11 Shyam Saran had said: "I came here to hold talks with my old friends in Nepal."

aimed at bringing about a peaceful resolution to the problems confronting Nepal.

Question: Are you inviting the King to visit India? (Rishi Dhamala, President, Reporters' Club)

Answer: No, this matter was not discussed.

Question: Are you optimistic after the Audience with the King about the restoration of democracy in Nepal? (Shirish Pradhan, Correspondent, PTI)

Answer: Well, His Majesty conveyed to me that he remains committed to multi-party democracy and constitutional monarchy in Nepal and that there should be no doubting his commitment in this regard.

Question: The political leaders have said that if the King defers civic election, they would be guaranteeing extension of ceasefire of Maoists. Have you conveyed that to the King? (Sudeshna Sarkar, IANS)

Answer: I am not aware of any such demand being made by the leaders. Besides, it is not for me to take up an issue, which should really be an agenda item in the discussions between the King and the political parties.

Question: You are most welcome to Kathmandu again.

You are talking about the restoration of democracy in Nepal. You might be aware that the Nepalese Parliament was dissolved by political parties themselves. In the meantime, the King has shown commitment to democratic forces in Nepal by announcing municipal elections, and after that Parliamentary elections. If democratic forces exist and work in Nepal, where is the need of restoration of democracy in Nepal. Thank you, very much. (Ramesh Ghimire, freelance journalist).

Answer: Well, number one I don't think it is necessary for me to comment on how the Parliament was dissolved and what was the reason for it. Nor do I think it is for me to talk about how the political processes in this country can be revived. I think what is very important is something that we have said: that in order to confront the challenges this country is facing it is very important that the constitutional forces should be working together. Constitutional forces means both the institution of Monarchy and it also means the political parties. That is our view. Now, how this is exactly going to be achieved - that is really something that the political parties and the Monarchy need to sit down together and work out together.

Question: Did you talk with His Majesty about 12-point understanding between the Maoists and political parties? (Babita Basnet, Editor, *Ghatna ra Vichar*)

Answer: I think it would not be appropriate for me to give a running account of what was discussed between His Majesty and me. But I would just like to underscore the fact that it remains our belief that in dealing with the current situation which Nepal is facing, it is very important that the constitutional forces should work together. It is very important that peace should be restored. It is very important that this country should be, once again, on the road to economic recovery. These are the challenges that need to be addressed and in this, unless there is a degree of national consensus, which would allow a focused attention to this problem, it is difficult to see how can we succeed.

Question: To what extent India is concerned about playing of the China card? India has arms embargo (on Nepal) at the moment. Some arms are coming from China. To what extent India is generally concerned about this? (Joseph Johnson, South Asia Bureau Chief, *Financial Times*)

Answer: Well, I do not think it is helpful for either China card or an India card to be played. My sense is that just as India is interested in the political stability and economic prosperity of Nepal, so is China. And we would trust that India and China are not seen competing with each other for any kind of influence in this country. I think, to the extent that our objectives are the same, it is better for us to work together. As far as the issue of arms is concerned, well, I think the international community has taken a certain position in order to foster the process of reconciliation amongst various forces here, and we would hope that not only China but other countries would also join in that position.

Question: What about the Indian arms assistance to Nepal? (name unclear)

Answer: Well, at the moment, we do not have Indian arms coming to Nepal but other aspects of cooperation with Nepal, including with RNA are continuing. For example, training of RNA personnel still continues.



PAKISTAN

164. Press release of the Ministry of External Affairs on the exchange of lists of nuclear installations and facilities by India and Pakistan.

New Delhi, January 1, 2005.

For the fourteenth consecutive year, India and Pakistan today (January 1, 2005) through diplomatic channels, simultaneously at New Delhi and Islamabad, exchanged lists of nuclear installations and facilities covered under the Agreement on the Prohibition of Attack Against Nuclear Installations and Facilities between India and Pakistan. This Agreement was signed on December 31, 1988 and entered into force on January 27, 1991.

Under the Agreement, the two countries are to inform each other on January 1 of every calendar year of the nuclear installations and facilities to be covered by the Agreement. The first such exchange of lists took place on January 1, 1992.



165. Media briefing by Secretary (Water Resources) V. K. Duggal on the failure of India – Pakistan talks on Baglihar dam project.

New Delhi, January 7, 2005.

The Secretary (Water Resources) V.K. Duggal told the media at the end of the India – Pakistan talks on the Baglihar Dam Project that Pakistan's insistence that it will seek the appointment of a "neutral expert" to arbitrate on the project is not reflected in the agreed minutes, but "if it chooses to do it then we will state our position. India is clear that there is no deviation from the provisions of the Indus Water Treaty of 1960. A week in the seven-year history of the project was not a big time. But this was not accepted by the Pakistan delegation. Now both parties will report this position to the respective governments." Mr. Duggal indicated that there could be convergence on some of the technical issues. He said there was no talk of re-opening of the treaty, "which had stood the test of time." Asserting that

this was the first time that quantitative discussions on the technical data had been held, Mr. Duggal said India received Pakistan's observations on its technical data on December 31 with the request to hold talks from January 3. "We told them we needed more time to study the data yet we agreed to a meeting from January 4. On the second day of the talks we identified six technical issues, including weir at low level, pondage, level of intake, (un)gated spillway, free-board height and low-level tunnel. We even had a smaller group of engineers discuss the technical data but needed more time", said Mr. Duggal.

Mr. Duggal, however maintained that the talks were "constructive and focused" and had moved forward. "Even though the discussions were inconclusive, a breakthrough had been achieved on the technical aspects," he asserted. He said as a goodwill gesture India was willing to consider Pakistan's objections provided they did not impact on the safety of the dam and the people. India even asked Pakistan to come up with alternate design calculations or some alternate fact sheet which could be examined on a "two-way basis."

[Mr. Duggal's media briefing came in the wake of failure of the India – Pakistan Baglihar talks. Pakistan said it would go ahead and seek the appointment of a "neutral expert" to address the differences with India as permitted by the Indus Water Treaty of 1960. Ashfaq Mahmood, Pakistan's Water Resources Secretary told pressmen that this "next step" would be taken, as there had been no progress in the three-day talks held with his Indian counterpart.]¹

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1. External Affairs Minister Natwar Singh speaking in New Delhi after delivering the Lal Bahadur Memorial lecture on January 14 referred to the failed talks on Baglihar and said that the standoff between the two countries on the Baglihar power project would figure during his three-day visit to Islamabad beginning February 15. The Pakistani High Commissioner in New Delhi who was present, said that Islamabad had not yet taken any decision on approaching the World Bank to appoint a neutral expert to resolve the Baglihar project. "The issue is being examined by the Government of Pakistan. Whenever there is a decision, it will be announced", the High Commissioner said. On January 18 the Spokesman of the Pakistani Foreign Office conceding that it was not a "good omen" for the Indo – Pakistan peace process, announced petitioning the World Bank for its arbitration in the Baglihar project. Same day i.e. January 18 India described Pakistani decision as not justified. The Spokesperson of the Ministry of External Affairs Navtej Sarna said: "Our view has been that during the detailed discussions held at the level of Secretaries of Water Resources recently, there had been some convergence and we believe that through continued technical discussions, further convergence would be promoted. We do not believe that the reference to the World Bank is justified. The media quoting official sources in New Delhi said India had no intention to stop construction at the project as demanded by Pakistan. Pointing to the Tulbul navigation project on the Jhelum river, they said that Pakistan wanted the work to be stopped for three month; but now it was 17 years since the work had come to a stand still on Tulbul.

[In a related development, an External Affairs Ministry official said India was ready to continue technical discussions with Pakistan on Baglihar dispute. According to him the Indian position remained that the design of the project was well within the definitions contained in the Indus Treaty. According to the official, Pakistan's intention was to ensure that the Government of India could not go ahead with any project that would benefit the people of Jammu and Kashmir. All this was being done to prevent India going ahead with the Baglihar project. India, the official said, would not stop the construction of the project as demanded by Pakistan. In the case of Tulbul project, the construction was halted some 16 year ago, and since then the matter had been the subject of bilateral discussion, with Pakistan showing no urgency in resolving the issue. India did not want Baglihar to meet the same fate.]

[Earlier the two-day talks on the Baglihar had been extended by a day to resolve the differences persisting between the two delegations. Mr. V. K. Duggal told the media that both sides agreed that the talks were "constructive and focused" around the six technical issues short-listed on the previous day. "The talks are mid-way. We understand each other's point of view. We hope to conclude the talks by tomorrow," said Mr. Duggal. The Pakistani counterpart too agreed that the talks were "issue based".]



166. Media briefing by Official Spokesperson on the visit of National Security Advisor of Pakistan Tariq Aziz and on the Baglihar Project.

New Delhi, January 11, 2005.

Question: What did Mr. Tariq Aziz talk to EAM about?

Answer: Mr. Tariq Aziz paid a brief visit to New Delhi to offer condolences on behalf of President Musharraf on the passing away of Shri J.N. Dixit, National Security Advisor. During this visit Mr. Aziz called on the Prime Minister and the External Affairs Minister and he also went to Mr. Dixit's residence to personally express his condolences to Mrs. Dixit. That is all I have on the visit.

Question: Any discussion on the SAARC dates when he was here?

Answer: No, I have no other details of what happened during the talks. As I said, he came to offer his condolences on behalf of President Musharraf.

Question: Pakistan has threatened to go to the World Bank for the Baglihar project. What is India's stand on that?

Answer: Our stand is very well known on the Baglihar project, which is a run of the river project. We believe it is fully compatible with the provisions of the Indus Water Treaty between the two countries. In the recently concluded bilateral talks between India and Pakistan on the Baglihar project the Indian side presented very detailed technical information to the Pakistani side to convince them that there is no ground for any apprehension that the project violates the Indus Water Treaty, that the technical parameters violate any of those that are laid down in the Indus Water Treaty. This is the first time, I can tell you, that such detailed technical discussions were held and we found that they were very useful and some convergence has appeared. We also feel that more technical discussions are likely to lead to further convergence and we have offered Pakistan that we should have further technical discussions.

Question: In case Pakistan still refuses to go in for the discussions?

Answer: If Pakistan still chooses to go to the World Bank disregarding the offer that we have made for further technical discussions then we will respond appropriately.

Question: You were saying there was some convergence...

Answer: As I said this is the first time that technical discussions were held with data etc and some convergence did appear but since this was the first time there is possibility of increasing this convergence through further technical discussions and that is why we have made the offer.

Question: Can you tell us what was the convergence?

Answer: These are technical issues. As you know, Water Resources Secretary has already been talking to the press. They have a better idea. I cannot identify to you exact things on which there was convergence. But yes, our feeling at the end of the technical discussions was that they were

useful. There were some things on which because of data that we provided, because of technical discussions that took place, there was some convergence and there is possibility of more if we have more discussions.

Question: But they say there is no scope for further discussion...

Answer: We believe that this is the first time that we have had technical discussions. We believe that the data that we have given to Pakistan should convince them that the technical parameters of the project are not violative of the Indus Water Treaty provisions. We believe that further technical discussions would be useful as these have been. So this is our offer.

Question: On Tariq Aziz – did he come as a special envoy of President Musharraf?

Answer: Frankly, I would not be able to characterize that, but, as I said, the purpose of the visit which he came for was to present his condolences on behalf of President Musharraf.

Question: Nothing to do with Tsunami, reports today said he (Mr. Tariq Aziz) also offered condolences on that.

Answer: Well, it is quite possible that it may have been discussed. Earlier on also the Government of Pakistan's condolences on this issue have been conveyed.



167. Reaction of the Official Spokesperson to the accusation by Pakistan of alleged violation of ceasefire by the Indian troops.

New Delhi, January 24, 2005.

Question: Pakistan has accused India of violating the ceasefire¹. Your reaction?

Answer: This was an issue, which was raised by the DGMO of Pakistan with our DGMO as part of the regular conversations that they hold. We investigated this allegation. Our DGMO, after investigations, conveyed it to their DGMO that these reports were baseless.

Question: Was there any firing from the Indian side?

Answer: No, as I said these reports are baseless.



168. Statement by External Affairs Minister K. Natwar Singh on arrival at Islamabad.

Islamabad, February 15, 2005.

I am happy to be in Islamabad again.

2. I intend to use this first bilateral visit of an Indian External Affairs Minister since 1989, to provide further impetus to the present India-Pakistan process.

3. Substantial progress has been made in the bilateral relationship since January 2004. The process had been imparted renewed vigour after the new Government had come to power in India in May 2004. Since then we have come a fair distance².

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1. The Spokesperson was reacting to the Pakistani allegation that the ceasefire, effective from the last week of November 2003, was violated on January 21 from the Indian side at the Mendhar sector on the Line of Control.
 2. The visit of the EAM was in the offing for almost a month. In order not to raise too many expectations from such bilateral visits, he had said on January 14 in New Delhi: "We should

4. Diplomatic and communication links have been restored to earlier levels. One round of the Composite Dialogue process has been completed, and the second round initiated in December last year. We have brought additional subjects to the table through expert level dialogues, including on nuclear and conventional CBMs. We are looking at additional transportation links between us. The Commerce Secretaries of the two countries will meet in a week's time in the framework of a Joint Study Group to explore and enhance trade and economic cooperation. We have also now agreed to consider a pipeline through Pakistan, subject to satisfaction of our concerns related to security and assured supplies¹.

5. There are several agreements that are possible in the coming months, including on pre-notification of missile tests, MOU between Coastguards and Pakistan's Maritime Security Agency, MOU between narcotics control authorities.

6. Tomorrow I will have the opportunity to convey greetings of P.M. to President and Mr. Shaukat Aziz. In my meeting tomorrow with Foreign Minister Kasuri, I will be reiterating India's commitment to a tension-free, peaceful and cooperative relationship with Pakistan. I look forward to

not look upon my meeting with Pakistan Foreign Minister Khurshid Mehmood Kasuri as an event." He said his proposed visit to Pakistan was "part of the process which cannot be open-ended or have a short time frame." On January 16 the EAM acknowledged in a BBC Hindi service interview that the progress in some India – Pakistan confidence building measures has been "slow". He said he would take up the "issue when he meets the Pakistani leaders, including possibly, the Pakistan President Pervez Musharraf in Islamabad next month. He said, "we have suggested a set of 72 confidence building measures to them. Concrete progress is being made in some of them and in some other issues the progress has been slow...What I am saying is that if the bus service starts between Srinagar and Muzaffrabad and similarly if the train service starts between Sindh and Rajasthan, it will definitely help matters and at the moment, the atmosphere is cordial between the two countries." He said the process of composite dialogue between the two countries was on the "right track", but added "this does not mean we are not confronted with the problems and that all issues have been resolved or a major breakthrough has been achieved on the Kashmir issue."

1. On February 9, the Indian Cabinet decided not to link the proposed pipeline from Iran through Pakistan to India to progress on "other issues" between New Delhi and Islamabad thereby clearing the way for solid negotiations on the project. This would mean that the progress on the pipeline project would not be linked to issues such as Pakistan giving reverse transit to Indian goods to Iran and Central Asia as well as grant of the Most-Favoured Nation status by Pakistan to India. It may be recalled that on January 19 the EAM Natwar Singh had said "I see in these gas pipelines (Iran-Pakistan-India; Turkmenistan-Afghanistan-Pakistan-India and Myanmar-Bangladesh-India) the potential to link our region and set up a new paradigm in regional cooperation and friendship."

exploring with them further ways of strengthening the foundations of our cooperative interactions, based on the clearly expressed support of the people of the two countries.

7. I am hopeful of taking the process further during this visit. In today's context cooperation and cordiality between our two countries is an imperative and a desirable objective¹.

8. Of course the process can be sustained only in an atmosphere free from terrorism and violence in the framework of the commitment made on January 6, 2004.



169. Press briefing by Foreign Secretary Shyam Saran during his visit to Islamabad.

Islamabad, February 16, 2005.

Official Spokesperson: Ladies and Gentlemen, it gives me great pleasure to welcome Foreign Secretary of India, Mr. Shyam Saran accompanied by High Commissioner Mr. Menon and Joint Secretary Mr. Arun Singh here. After the Foreign Secretary has addressed the press, we will take questions.

Foreign Secretary: Good evening. Let me first of all extend a very warm welcome to all of you to this press conference. I will elaborate on some of the points, which have already been made by our External Affairs Minister this afternoon after his talks with his counterpart H.E. Foreign Minister Kasuri. I think both the Foreign Ministers have given a fairly comprehensive idea of

1. In a related development, Foreign Secretary Shyam Saran told the media persons accompanying the EAM on board the special aircraft which brought them to Islamabad from Kabul, that India was looking at Mr. Singh's visit as providing renewed momentum to the bilateral engagement process. Several new confidence building measures were likely to be agreed upon, the Foreign Secretary said. According to him India and Pakistan would also take the opportunity to review the progress made so far in the composite dialogue process. Saran also pointed out that Mr. Singh's meeting with Gen. Musharraf would be the first high level contact with the Pakistani President since the General met the Prime Minister in September 2004. On the Baglihar project, FS said there was still scope for bilateral discussions to sort out the ticklish issues. He reiterated that in the last round of talks, considerable progress had been made between the two sides on the technical details of the project.

what the discussions they had focused on, and also a sense of what transpired during the morning meeting between our External Affairs Minister and His Excellency President of Pakistan, General Pervez Musharraf, as also with the Prime Minister of Pakistan, H.E. Mr. Shaukat Aziz.

The high point of the visit has been the agreement between the two sides to operationalise the Srinagar-Muzaffarabad bus service and this we regard as a very important development. It is really a win-win situation for both India and Pakistan. I think it has been already mentioned to you that this is going to be a service, which will operate on the basis of entry permits. I would like to just elaborate here that what really we have agreed upon is a practical procedure, which applies to a route and it does not affect or change our respective positions on the J&K issue. We will look at this as a humanitarian procedure, which enables people from both sides to travel across the LoC. It is also an arrangement, which is open to all Pakistanis and Indians including the people of J&K but not third country nationals.

As you have seen in the announcement, the application forms can be obtained from the designated authority both in Srinagar and Muzaffarabad. I would like to inform you that the designated authority on the Indian side will be the Regional Passport Office under the Ministry of External Affairs which is located in Srinagar. As it has been pointed out, this procedure covers travel to the entire territory of the erstwhile state of Jammu & Kashmir, which includes Gilgit and Baltistan. This is a very major achievement that both sides have made. Both sides have shown flexibility, both sides have shown a desire to make certain that we can... It has been our endeavour to see the early realisation of a proposal, which has drawn so much interest on both sides, and it is a matter of satisfaction, I think, for both sides that this has been achieved. I must mention here that both President Musharraf as well as Prime Minister Shaukat Aziz welcomed the achievement we have made today.

We have pointed out that a number of other issues were discussed. In terms of transport linkages, I would like to mention here that we have also reached agreement for operationalising the new bus service between Amritsar and Lahore. For technical details for that we will get down and work out as early as possible. There is also agreement that we could also have more services to places of pilgrimage, for example Nankana Saheb. In terms of the rail link, you have all heard about our proposal for the

resumption of the rail link between Khokhrapar and Munabao and we are very happy that at our request it was agreed that this particular route can also be operationalised pending the upgradation of the metre gauge line on the Pakistani side to broad gauge line. The idea is that passengers from the Pakistani side could come right up to the border on the metre gauge line and could cross the border and get into the train on the Indian side and travel on the broad gauge line and vice versa. So this arrangement can continue until such time as the broad gauge line on the Pakistani side also has been completed. This is with regard to transportation linkages.

I would also like to draw attention to the fact that both in the meeting with President Musharraf as well as in the meeting with Prime Minister Shaukat Aziz - and this was something which was further taken up during the meeting between the two Foreign Ministers - that we also looked at the importance of economic and trade linkages. There was general acceptance of the fact that there are many economic complementarities between India and Pakistan and that in not exploiting these economic complementarities our both countries are losing out. And for us to be able to build upon these economic complementarities again is something, which is a win-win situation for both sides.

In this context, on the 22nd and 23rd of this month, the Commerce Secretaries of the two countries will be having a meeting. The precise purpose of this meeting is to look at how we can promote economic and trade linkages between the two countries. This is something, which we welcome. I would also like to mention that in terms of CBMs, in terms of people-to-people contacts, again both sides expressed satisfaction that there really has been a significant movement in this respect. The traffic, which is taking place on both sides of the border has increased very significantly. As journalists you yourself are aware that there is far more interaction taking place in the media circles as well, including the visit of Pakistani journalists to J&K on our side. Our Indian media men were also able to visit Pakistan occupied Kashmir. This is something which both sides agree is a very positive development and this is something which we should continue to carry forward. So, there are a number of CBMs, which we talked about. Our External Affairs Minister referred to some of them, distinguished Foreign Minister of Pakistan referred to some of them, and it will be our endeavour to carry these proposals forward.

At the end of these meetings, we have a very positive feeling; a feeling that we have made some progress, also a sense that there are a number of things in the pipeline where we believe further progress is possible. So, it is with a sense of optimism that we conclude our official part of the visit here in Islamabad.

External Affairs Minister will be guest at the banquet, which will be hosted by his counterpart this evening. Tomorrow we leave for Lahore where there would be an interaction with the SAFMA. There would also be a call on the Governor of Punjab, as also a lunch which is being hosted by H.E. the Chief Minister of Punjab. Thereafter we return back to Delhi.

I will stop here. I will be happy to take your questions.

Question (Saurabh Shukla, *India Today*): Was there any discussion on the likely visit of the Indian Prime Minister to Pakistan. What happened to the proposal that India had put to Pakistan last time - to designate five points for crossing on the LoC. Did Pakistan respond to that?

Foreign Secretary: With regard to the visit of Prime Minister Dr. Manmohan Singh to Pakistan, yes, there was a reiteration of the invitation both by President Musharraf and Prime Minister Shaukat Aziz. External Affairs Minister told them that he would, on his return, be conveying this to our Prime Minister so that an early visit can take place. On the other question that you raised, no, so far we have not received a response.

Question (Farhan Bukhari): One subject that you have not mentioned today is Baglihar. Any discussions on that issue? Also, could you tell us where India and Pakistan come out on that subject? The other question that I may ask you very briefly is that while transportation links would certainly add to the atmosphere, there has been a lot of criticism here last year that there has not been anything major or tangible that has come out from this new peace process. I know pipeline is discussed, but more than that trading links... Can we put a time frame in which there is going to be a tangible process? Will it be the next 12-24 months or will it take longer? What is your sense?

Foreign Secretary: Let me take your last comment first. I concluded my opening remarks by saying that we have during this visit a sense that we have achieved something, that we have come a long way. This is what our

External Affairs Minister said in his press conference. I think the fact that we have managed to agree upon the Srinagar-Muzaffarabad bus service is itself an indication that this process is beginning to yield results. So, I do not think that there needs to be any pessimism about the process that we are involved in. We are moving steadily forward. This is a complicated relationship. We have to move in measured steps and I think the results are there for everyone to see. I don't think we should minimise the achievements that we have already made.

The fact is that for more than a year the ceasefire has held. There is tranquillity along the boundary as well as the LoC. That itself, I think, is an important achievement. The fact that there is such a large number of people travelling across the border is perhaps unprecedented between India and Pakistan. My High Commissioner tells me that for the last few months he has been issuing something like 10,000 visas per month. Even with some of the other friendly countries we do not have this intensity of contact which has come about between India and Pakistan.

With regard to other elements of the relationship, transport linkages are very important. Not only Srinagar-Muzaffarabad, the fact that we have a regular bus service running between Delhi and Lahore, the fact that we have now agreed upon Amritsar-Lahore, we have agreed that there should be more visits to places of pilgrimage, I do not think that these should be regarded as somehow insignificant and that we are not achieving anything more significant.

On the economic and commercial side one of the very important developments which has taken place is that with invitation given from your side we have had some very important captains of Indian industry visiting Pakistan recently. I believe that just some days back Mr. Ratan Tata was in Pakistan. So, there is a new kind of an interest developing on both sides to take forward our economic and commercial relationship.

You made a mention of the pipeline. We have agreed that we would go ahead with the Iran-Pakistan-India pipeline. What we are looking at and what we are currently discussing with Iran is the possibility of this pipeline bringing gas from Iran up to a designated point on the India-Pakistan border on terms and conditions which could be agreed upon between Iran and India. Perhaps there would be a necessity for some kind of an overarching trilateral agreement between the three countries. I think that the three

countries are moving forward in a pragmatic fashion to see that this particular project becomes a reality.

So, if you put all this together, frankly I see no reason why there should be any room for pessimism.

On the Baglihar issue, our viewpoint is that the last round of talks, which were held between India and Pakistan, was perhaps the first time that there was a really very intensive technical discussion. It was our sense, perhaps not shared by the Pakistani side, that some degree of convergence was achieved during these discussions. It was also our assessment that if these technical discussions could be carried forward then perhaps the area of convergence could increase further. Perhaps, it was a sense on the Pakistani side that we were not going to get anywhere even if there were further discussions and they decided to come back. As you are aware, a reference has been made by Pakistan to the World Bank. It remains our view that we should continue bilateral discussions; it remains our view that there are possibilities for us to be able to find greater convergence through these discussions.

The point that is coming up again and again - we find sometimes in the Pakistani media or in some of the comments people make - is as if this is a project, which is somehow giving India the capability either to flood Pakistan or to deny water to Pakistan. That is the kind of sense, which comes out. It is not something that is within the parameters of the Treaty. The Treaty cannot deal with suspicions of this kind; it cannot deal with intentions of this kind. We are confident that what we are doing with this project is entirely within the parameters laid down by the Indus Water Treaty. We respect the Treaty because this Treaty has held for the last 45 years. It is a very important Treaty for us, as, I am sure, it is to you. So, it is our belief that the project is entirely in consonance with the provisions of the Treaty. But, if there are suspicions of the kind, which are sometimes mentioned on the Pakistani side then we cannot find a technical fix for meeting this kind of an apprehension or meeting this kind of a fear.

I would also like to remind you that just downstream from Baglihar is another project called Salal, which has been built by India. This project is also very important to India and to the State of J&K. It has been functioning for several years. If we had any such intentions of either flooding Pakistan or denying water to Pakistan, the first installation, which would disappear,

would be the Salal project. I cannot see why we should hurt ourselves in order to have the capability to hurt Pakistan. The Indus Water Treaty is precisely in order to give a sense of confidence to both India and Pakistan that adherence to the Treaty will prevent or will meet these kind of apprehensions, or these kind of suspicions.

So, we do not believe that Baglihar is in violation of the Indus Water Treaty. We believe that we were already achieving a degree of convergence during the last round of technical discussions and we also continue to believe that if this process were carried forward then we could have perhaps enlarged the area of convergence. So, we believe that the reference to World Bank was perhaps premature.

Question (Rajiv Sharma, *The Tribune*): This is with regard to the security and infrastructure aspects of the Srinagar-Muzaffarabad bus service. Now that only 7 weeks remain to operationalise this bus service, there are also reports that on both sides of the LoC the area is mined. It has to be de-mined. In fact, the roads and culverts are also not proper and the bridges are not in shape. Could you comment on these aspects?

Foreign Secretary: It is quite obvious that for operationalising the bus service, the road if it has to be improved has to be improved, security situation has to be ensured and also if there is any mining which has been done in that area, it has to be de-mined. These are precisely the kind of things that when we go back we will be sitting down together with all the concerned agencies and departments and making certain that hopefully by the 7th of April we are able to run the first bus to the LoC.

Question (Al Jazeera TV): What is the basic difference between entry passport and the Indian passport and what kind of features will it carry. Could you specifically tell us whether it would show a Kashmiri as an Indian citizen or a resident of Kashmir?

Foreign Secretary: It is not an entry passport, it is an entry permit system and I do not think it is worthwhile for us to get into the debate about whether or not this indicates whether J&K is part of India or J&K is part of Pakistan. We have made it very clear that this is without prejudice to the positions of both the countries. It is a practical measure, it has a humanitarian dimension. Let us leave it at that.

Question (Chandan Mitra, *The Pioneer*): Further to this question, I think there are certain issues and clarifications that are necessary on this entry permit system because you will accept that this is somewhat unusual international travel document. In the normal course a person entering another country is admitted by the country that he or she is entering. In this particular case, if an entry permit is issued by the RPO in Srinagar, what is the guarantee that this will be acceptable to the Pakistani authorities and what kind of stamp would any Pakistani national trying to enter India through this route have because our view, as you have explained, goes beyond what Pakistan describes as Azad Kashmir. It includes Gilgit and Baltistan, which do not form part of the Azad Kashmir area. So, without clarification on these kinds of modalities, do you think this is going to become a practical document as you have outlined?

Foreign Secretary: One, the passport office in Srinagar will be the place from which application forms can be obtained. What are the details required in the application form, whenever you get the application form you will see what are the details required. We have also pointed out that there will be a pre-verification process and as far as travel is concerned, across the LoC the travel will be on the basis of a permit which is issued by us, as I would imagine would be the entry permit which is issued by the other side as soon as a person crosses the LoC the permit on which he would be travelling will be issued by the authority on the other side, while on the Indian side it will be on the basis of the permit which will be issued by our side.

So this is a practical measure. Neither side is trying to use and neither side should try and use a procedure for travel across the LoC to try and change the stated position of the other side. That is the basic assumption on which this proposal has been agreed to by both the sides. That it is not something in which we are looking at how we can try and change the position of the other side. That is the agreement between the two sides and as I said this is an arrangement, which is open to all Pakistanis and Indians including the people of J&K, if they are using this particular route. If they are using the regular route for travel by air, they will be using the normal passport and visa system. It is only with respect to this particular route that a certain procedure has been prescribed.

Question (Chandan Mitra, *The Pioneer*): Just a clarification on this. Are you suggesting that any travel permit issued by us in Srinagar will be

necessarily regarded as valid by the Pakistan authorities when a person crosses the border?

Foreign Secretary: As I said, travel on our side of the LoC will be on the basis of a permit which we will issue and travel on the Pakistani side will be on the basis of an entry permit which will be given by the Pakistani side.

Question (Chandan Mitra, *The Pioneer*): In other words, he can be turned back?

Foreign Secretary: That authority is in any case available to both governments.

Question (Mazhar): I have a question on gas pipeline project. As Indians are talking about satisfaction and reservations, I just want to know what really Pakistan will have to do get this project matured?

Foreign Secretary: I am not quite sure what your question is because as I mentioned India is already talking to Iran in terms of delivery of gas at a designated point on the India-Pakistan border on terms and conditions which will have to be negotiated. These terms and conditions will relate to the quantum, it will relate to the price, it will relate to the guarantees of supply, on possible disruption. So, there are a number of issues, which is normal in any negotiations. Since the pipeline is crossing Pakistan, there will also have to be a certain kind of an overarching agreement which I presume would be required. So, this is the basis on which we have agreed to look at the pipeline. So, these are the elements which need to be negotiated when the discussions are held.

Question: This means that Pakistan has not provided any kind of guarantees to Indians.

Foreign Secretary: We have not yet reached the stage of negotiations. We are still talking about it. What we have said is we accept that this pipeline is a good project that we should look at. As far as the terms and conditions are concerned, these need to be worked out. I understand that our Minister for Petroleum and Natural Gas has invited his counterpart to visit India or may be our Minister can visit Pakistan to take the discussions forward.

Question (Amit Baruah, *The Hindu*): Sir, my question is on a slightly lighter, but equally important subject and that is on Cricket. I know that this matter

is being dealt with by the Cricket Boards, but do you have any information if the Pakistan series is going through and will the Pakistan team actually play a match in Ahmedabad or not?

Foreign Secretary: I have no reason to believe that the tour will not go through. As you yourself pointed out, it is best that these matters are left to the two Cricket Boards to resolve.

Question (Simaf, Pakistan Press Agency): Has the ice really started to melt to resolve the Kashmir issue because President Musharraf has also said that we have been talking for the last 50 years and it is difficult to wait for another 50 years. Your comments please.

Foreign Secretary: I would not like to comment on what President Musharraf may or may not have said. I can only speak for India and the Indian viewpoint is that we are engaged in a process which is perhaps a difficult process. But as we can see it is beginning to yield results. It should be necessary for us to stay on course. Are we really beginning to solve the J&K problem? Our viewpoint has been that we are not shying away from discussing the J&K issue. We are not trying to shelve it, we are not trying to put it aside, but we do believe that while we are talking about the J&K issue, we need to also address the issue of confidence building, we need to enlarge people-to-people contacts between the two sides. Why? Because ultimately any understanding that we arrive at on J&K between the two sides we will need to carry our people along with us, you will have to carry your people along with you. How do we do that unless we have more and more people meeting each other, more and more contacts taking place, more exchange of views taking place.

Often a reference is made to the trust deficit between the two countries. Unless we address that trust deficit - if we recognise that it is a very complicated problem that as you said we have been struggling with for 50 years - it may not be possible for us to find that space in which we come to a mutually acceptable solution. So, I think that the course that we have adopted is a very wise course. We are looking at a Composite Dialogue which not only deals with issues of confidence building, people-to-people contacts, at the same time it also addresses the issue of J&K and peace and security. So, I think this is the right course for us to follow and since it has been begun to yield results, why not be optimistic and take this forward.

Question (Jyoti Malhotra, Star News): Sir, just a clarification. Will an Indian citizen get an entry permit if he or she does not have a passport or is the passport essential for an entry permit?

Foreign Secretary: I mentioned to you that the arrangement that we have for crossing the LoC on the Muzaffarabad-Srinagar bus service. This particular arrangement is open to all Pakistanis and Indians including the people of J&K.

Question (Jyoti Malhotra, Star News): But if I do not have a passport, can I still get...

Foreign Secretary: I said that the travel is on the basis of entry permit, so why are you bringing in the question of a passport.

Question: My question has two parts to it. One, that there was at one point of time, if I am not wrong, an apprehension on the part of India that this CBM which is the bus where you commute on the basis of a travel permit could prove to be counter-productive if the security agencies on either side resort to denying this permit. So, how are we addressing this question on both sides, Second, the Foreign Minister of Pakistan today said that India has accepted gas pipeline was a stand-alone project. I think earlier we were viewing it as a part of comprehensive economic and trade exchange between the two countries. What is the nuance involved here?

Foreign Secretary: Well, as far as the bus service is concerned, frankly if we have agreed to operationalise this bus service, I would imagine that on both sides there is a commitment to achieving the objective that it is supposed to achieve. So, why should we assume that agencies on the Pakistani side or the agencies on the Indian side will in some way or the other subvert this or sabotage this by not allowing enough people to travel across? We have said that April 7 is the date on which we will try and operationalise this service and let us see how it works.

With regard to the pipeline, I think, I have spelt out very clearly what our position is. What is the current state in terms of the negotiations on the pipeline particularly with Iran? As I said, what we are talking to Iran about is the delivery of the gas at a designated point on the India-Pakistan border and the terms and conditions under which this would be supplied is something, which is to be negotiated. Naturally, since it is going through

Pakistani territory, there would have to be an understanding among the three countries. That is a process, which we will take forward in the days to come.



170. Statements by External Affairs Minister K. Natwar Singh and Foreign Minister of Pakistan Khurshid Kasuri at the Joint Press Conference.

Islamabad, February 16, 2005.

External Affairs Minister Mr. Natwar Singh: I have just concluded an extremely useful and intensive discussion with my distinguished colleague and friend, the Foreign Minister of Pakistan. H.E. Mr. Khurshid Kasuri, I want to thank you for your hospitality.

2. Earlier in the morning, I had the privilege of calling on President of Pakistan, H.E. General Pervez Musharraf and the Prime Minister of Pakistan, H.E. Mr. Shaukat Aziz. In both these meetings, I had conveyed the greetings and good wishes of the Prime Minister of India.

3. I have come to Pakistan for the first bilateral visit of the External Affairs Minister of India since 1989. I have also come at a stage in the present process between our two countries when significant positive developments have taken place over the past one year. At the same time, it was also felt that continued appropriate political interaction would inevitably impart further momentum to the process.

4. I am happy to be able to share with you that we have been able to take several significant further steps:

- (i) We have agreed between us on mutually acceptable procedures for establishing a bus service between Srinagar and Muzaffarabad.
- (ii) We have also agreed to look at a pipeline through Pakistan subject to satisfaction of our concerns related to security and assured supplies;

- (iii) We have instructed our officials that in the forthcoming series of meetings between now and July, agreements be finalized on Pre-notification of Missile Tests, MOU between Indian Coastguards and Pakistan's Maritime Security Agency, and MOU between Narcotics Control Authorities;
- (iv) We have agreed between us to start a bus service between Amritsar and Lahore, and also to agreed religious places such as Nankana Sahib and we have instructed our officials to immediately tie up the technical details;
- (v) It was also agreed that discussion would be initiated on agreements on:
 - (a) Reducing Risk of Nuclear Accidents or Unauthorized Use of Nuclear Weapons;
 - (b) Preventing Incidents at Sea.

5. We have agreed to consider further measures to alleviate the situation of civilian prisoners and apprehended fishermen. I impressed upon His Excellency the Foreign Minister of Pakistan the need to release the apprehended fishermen along with their boats, and to expedite their return.

6. I also conveyed to my counterpart our readiness to start the Khokrapar-Munnabao rail link from October 2005, and requested Pakistan to expedite their own preparations. We are continuing with our efforts for early re-establishment of our respective Consulates General in Karachi and Mumbai.

7. Both of us are looking forward to the first meeting of the Joint Study Group on Trade and Economic Cooperation at the level of Commerce Secretaries¹ scheduled for February 22-23, 2005 in New Delhi.

1. The secretary level meeting which took place in New Delhi on February 22-23, 2005, and inaugurated by the Commerce Minister noted that the India – Pakistan Joint Study Group had detailed discussions on promotion of trade and economic cooperation for the mutual benefit of both countries. The JSG constituted two Working / Sub-Groups on Customs Cooperation and Trade Facilitation and Non-Tariff Barriers (NTBs). The Terms of Reference (TOR) for the Sub-Groups were mutually agreed upon. During the meeting the two sides identified issues relating to bilateral trade and deliberated upon the future roadmap in order to enhance trade and economic cooperation. It was also decided to hold the second meeting of the JSG on mutually agreed dates. The recommendations of the JSG would be submitted to the respective Governments for consideration under the framework of the Composite

8. As you can see, we have come a long way over the past year or so. As I stated yesterday, I am convinced that cooperation between our two countries is not just a desirable objective; it is an imperative.

9. My visit has reinforced in me the determination to continue working for expanding cooperation and understanding between our two countries. The people of both our countries clearly desire it.

10. No doubt, we have differences between us. This is only normal given the history and complexity of our relationship. However, as leaders, it is incumbent upon us to find ways through which we can enhance trust and cooperation, so that the differences can be addressed more productively.

11. Of course, the process can be sustained only in an atmosphere free from terrorism and violence, in the framework of implementation of commitment made on January 6, 2004.

12. I have invited my colleague, the Foreign Minister of Pakistan to visit India to continue with these efforts. I look forward to welcoming him.

Mr. Khurshid Kasuri: I had a useful exchange of views with His Excellency Mr. K. Natwar Singh, External Affairs Minister of India.

Talks were held in a cordial, frank and positive atmosphere.

We had the opportunity to constructively review the status of our bilateral relations as well as the regional cooperation under SAARC.

We have agreed to work together for the early convening of the 13th SAARC Summit.

We have noted with satisfaction the over all improvements in atmospherics between the two countries. We have taken positive steps that auger well for the future of bilateral relations. We are strongly committed to carrying forward the Composite Dialogue process to make it productive and fruitful.

We had discussions on the core issue of Jammu & Kashmir and have impressed upon the Indian government for an early and final settlement of the issue in accordance with the aspirations of the people of Kashmir.

Dialogue between India and Pakistan. The Pakistani delegation was led by Commerce Secretary of Pakistan Tasneem Noorani, while the Indian delegation was led by Commerce Secretary S. N. Menon.

We discussed issues of Peace & Security. Pakistan expressed the hope that both the countries will be able to move forward to promote strategic stability in South Asia.

The Prime Minister of Pakistan has already instructed our Railway authorities to expedite the early operationalization of Khokhrapar-Munabao rail link.

We hope that the Joint Study Group meeting at the level of the Commerce Secretaries to be held in New Delhi from 22-23 February 2005 will come up with recommendations which will be mutually beneficial to both countries.

The Indian Government has agreed to lease a government-owned building and a plot of land in Mumbai for simultaneous opening of Pakistan's Consulate at Mumbai and Indian Consulate at Karachi.

We held discussion on the Siachen issue. It was agreed to direct the Defence Secretaries of the two countries to discuss the issue in a friendly and cooperative manner. I hope that the issue will be resolved in accordance with the understanding reached earlier.

The issue of detained fishermen and civilian prisoners is an humanitarian issue. We have agreed to work out a mechanism for their early release following a summary procedure. Civilian prisoners and detained children who have completed their prison term may be released at an early date.

We have noted with satisfaction the Indian decision to treat the Gas Pipeline project as a stand-alone project. We hope for the early finalization of an agreement.

We also held discussions over the Baglihar and Kishanganga projects. I impressed upon my Indian counterpart for an early resolution of the issues in accordance with the Indus Water Treaty.

The two Foreign Ministers took note of the joint survey conducted by the two countries on the Horizontal segment of the Blue dotted line in the Sir Creek area and express the hope that the issue would be resolved at an early date.

The two sides have agreed to continue the Composite Dialogue

process in positive spirit and for constructive results in addressing all issues including Jammu & Kashmir, Peace & Security, conventional and nuclear CBMs, trade and people-to-people contacts.

The President and the Prime Minister of Pakistan reiterated invitation to Dr. Manmohan Singh, Prime Minister of India to visit Pakistan at the earliest convenience.



171. Joint statement on talks between India and Pakistan on Srinagar – Muzaffarabad Bus Service.

Islamabad, February 16, 2005.

Both governments have agreed to allow travel across the LOC between Srinagar and Muzaffarabad by bus. Travel will be by an entry permit system, once identities are verified. Application forms for travel will be available with designated authorities in Srinagar and Muzaffarabad¹. The bus service is expected to commence from 7 April 2005.



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1. Answering questions on 24th March the official spokesperson of the MEA described the Srinagar – Muzaffarabad bus service as a “very important confidence building measure”. He added, “As you know India had proposed it as far back as October 2002. We are certainly hopeful that it will serve the purpose that it is intended to.
Answering a question that there was some confusion regarding the travel procedures for Hurriyat, the Spokesperson said: “I thought I had gone into a fair amount of detail on the question of the procedures to be followed and the scope of the travellers on the Srinagar-Muzaffarabad bus but I think your question and several other telephone calls that I have received during the day have prompted me to once again put out for you the details of the procedures for travel on the Srinagar-Muzaffarabad. We have copies of that but if you like I can go through the procedures so that it is clear to everybody. Application forms for travel by the bus across the LoC are available with designated authorities in Srinagar and Muzaffarabad. In India’s case, the designated authority is the Regional Passport Office in Srinagar. In addition to the forms given out by RPO, the practice being followed is to also give out forms through the good offices of the SP and SSP, Kashmir Valley, who in turn, distribute the forms through police stations in the Valley. The application forms require information and details, including photographs, as is normally required for a passport and a visa and document for international travel. The intending traveller on our side of the LoC submits the application form to the RPO. The application is subjected to due verification on our side to establish the bonafides of the traveller. The verified form is passed on to Muzaffarabad through the immigration control point at the LoC to decide on acceptability of the traveller. Thereafter, due verification is carried out on the Pakistan side. The verified

172. Address by External Affairs Minister K.Natwar Singh at South Asia Free Media Association (SAFMA) reception: "Premise and Promise of Indo-Pak Long-Term Relations".

Lahore, February 17, 2005.

I am delighted to be in Pakistan and truly privileged to be addressing such a distinguished gathering of media, intellectuals and eminent personalities from Pakistan. I bring to you warm greetings from the people of India and their desire for brotherhood and good neighbourly relations with Pakistan.

You have asked me to share with you my assessment of the Premise and Promise of India-Pakistan Long-Term Relations.

I am glad you chose this particular theme. It aptly reflects the mood

forms are returned to RPO, Srinagar through the same route. These forms indicate clearance or refusal, as the case may be, for those who have applied for travel. When the actual travel takes place, based on this application, an entry permit is issued by the other side at the immigration check point by its designated authority. For travellers coming to J&K from Muzaffarabad, the entry permit is issued by RPO, Srinagar at the immigration check point at the LoC. The permit indicates the number of days and places allowed for the visit. There is also a requirement of police reporting by every passenger. All citizens of India and Pakistan (but no third country nationals) can use this route for travel within the territory of the erstwhile State of J&K, including Gilgit and Baltistan. However, the receiving authority reserves the right and discretion to deny entry, and to specify which particular places are allowed, in each case, to be visited."

Question: Any restrictions on any Indian citizen to continue his journey further?

Answer: I think I have answered that. I have told you even today that this permit is for citizens of India and Pakistan to travel on this route within the territory of the erstwhile State of J&K including Gilgit and Baltistan. I think that is clear.

Question: How long does it take for the verification process?

Answer: I do not have a fixed figure on that but, I suppose it depends on how quickly verification can be done in each particular case and this may vary.

Question: You said that the entry permit is issued by either side, but then no Indian Law is violated if a person goes to Islamabad or Rawalpindi with the concurrence of the Pakistan Authorities. There is no violation of any Indian travel document or permit...

Answer: How can an Indian Law apply in any case in another country? So, I do not think that sort of an argument can lead us to any conclusive result. Indian Law in any case applies within India. What is applicable here is an agreed and explicit understanding between the two countries. So any other thing would be contrary to this understanding.

Question: If Pakistan does invite the Hurriyat Leaders from POK into Lahore or Islamabad. Would we consider that as a hostile act or a breach of understanding?

Answer: That is a speculative question.

Question: How would we characterize it?

Answer: I refuse to characterize a speculative situation.

that has built up with the progress achieved, and the change in the atmospherics of the relationship over the past one year. Two years ago, it would perhaps be an object of ridicule if such a theme was suggested.

I have often commented to my friends in Pakistan that there are significant possibilities of a cooperative India-Pakistan relationship. If we combine our efforts on issues, our goals would be well within our grasp. I have also pointed out that a combined India-Pakistan Cricket Team would be unbeatable.

This also reminds us of the premises on which we need to promote our relations. We need to build mutual trust. We need the cementing force of cooperative trade and economic links, based on the obvious complementarities that exist. Both President Musharraf and Prime Minister Shaukat Aziz underlined this aspect in their remarks to me.

There are natural affinities between our people, cultural commonalities and family relationships. After all, why is it that an Indian and a Pakistani strike natural friendships when outside the subcontinent? This is what we need to build upon.

India is committed to peace and friendship with Pakistan. These are not just words. We have worked actively to put them into practice. As you know, only yesterday we worked out with the Government of Pakistan mutually acceptable procedures for a bus service between Srinagar and Muzaffarabad. We have also agreed to consider an energy corridor through Pakistan, subject to satisfaction of our concerns related to security and assured supplies. We will soon commence a bus service between Amritsar and Lahore, and to religious places such as Nankana Sahib. The Government of Pakistan has agreed to work with us for an early commencement of the Kokhrapar- Munabao rail link. We hope this will start some time in October this year.

All these decisions have followed upon the significant progress made over the past year through normalisation of diplomatic and other links. Round One of the Composite Dialogue has been completed and the second round initiated. The ceasefire has held since November 2003.

In my meetings with Foreign Minister Kasuri, we have also taken decisions to finalise agreements on Pre-notification of Missile Tests, MOU

between Coastguards and Pakistan's Maritime Security Agency, MOU between Narcotics Control Authorities, Agreement on Preventing Incidents at Sea, Agreement on Reducing Risk of Nuclear Accident or Preventing Unauthorized use of Nuclear Weapons.

All this progress has been possible also because of an overwhelming desire among our people for peaceful cooperation and interaction. We need to build further on this foundation. There is a tremendous reservoir of goodwill on both sides, based on our affinities and commonalities. Greater people-to-people contact opens the doors for a better appreciation of our viewpoints. Our conscious policy has been to be "people-centric" and to promote people-to-people exchanges.

As a measure of our sincerity and goodwill, we have unilaterally liberalized the visa regime for Pakistani nationals to travel to India, including a system of visas on arrival for certain select categories. We do not have such facility for nationals of any other country. We look forward to group tours very soon and are already implementing a special visa regime for Pakistani students to study in Indian educational institutions. I believe that this is a time for us to also let the people set the pace for a while. The Governments, who are appearing somewhat more cautious and conservative, could also play a facilitating role for the natural affinities of the people to define new parameters of our relationship.

India has emerged as the world's fourth largest economy, with an average annual growth rate of 6-7% in the last decade. Our economic linkages with neighbours like China, Sri Lanka, Nepal and Bhutan have grown exponentially. India-China trade is now USD 13.6 billion. We have been greatly encouraged by the positive experience of our Free Trade Agreements in the immediate neighbourhood with Nepal, Sri Lanka and Bhutan and we hope to institutionalize such cooperation with China, ASEAN and BIMSTEC very soon. Today, over 50% of India's foreign trade is towards the east. The target for total India-ASEAN trade itself is US\$ 30 billion by 2007. We are on the threshold of a large conglomeration of open and free trading nations in Asia as never before.

India-Pakistan trade regretfully has grown slowly while India's trade with all her SAARC partners has grown substantially. Unfortunately, Pakistan's position as the link between energy sources in Central and West Asia and the growing demand in South Asia has not been leveraged into

long-term arrangements of mutual benefit. I hope that this process will start soon.

We attach great importance to economic and commercial cooperation with Pakistan. We believe that this would help address the common challenges of poverty and imbalance in the development of the region and lead to prosperity among our people. A high-level study group has been set up to examine the potential areas of cooperation. The group is having its first meeting on February 22-23 and we are confident that we would be able to identify specific areas of convergence without any further delay.

India sincerely seeks a cooperative and constructive relationship with Pakistan. For this, it is imperative for us to invest in the ongoing process of engagement and confidence building. We have proposed several measures to Pakistan which would help bridge our differences and build greater understanding and mutual trust. Once we are able to set aside our suspicions and misapprehensions, through a continuous and persistent process of confidence building, I am sure that we would be in a position to tackle some of the more complex issues that plague our relations. Confidence Building Measures will help create an atmosphere conducive to addressing more difficult issues and help fulfill the promise of friendship and cooperation between India and Pakistan.

I am grateful that you are here to meet me and listen to what I have to say.



173. Statement by External Affairs Minister K. Natwar Singh on return to New Delhi from Pakistan.**New Delhi, February 17, 2005.**

I have had a productive and useful visit to Pakistan. As you are aware, this was the first bilateral visit of an Indian External Affairs Minister to Pakistan in 16 years.

2. I received a very warm welcome and friendly reception and my talks with President Musharraf, Prime Minister Shaukat Aziz and Foreign Minister Kasuri were marked by cordiality and a shared desire to take our relationship forward towards the goal of peace, mutual understanding and a shared prosperity.

3. It now seems that there is a groundswell of goodwill and positive sentiment among people in both our countries for a relationship free from hostility and bitterness. This has enabled our two Governments to conclude significant agreements towards building confidence and trust.

4. These include the long-awaited Srinagar-Muzaffarabad bus service, which has been uniformly welcomed by all sections of society in both India and Pakistan, but particularly by the people of Jammu & Kashmir.

5. No doubt, we have differences between us. I underlined to the Pakistani leaders that the peace process could only be sustained in an atmosphere free from violence and terrorism and that the solemn assurances contained in the January 6, 2004 Joint Statement must be implemented fully.

6. Just before returning to Delhi, I spent a few hours in Lahore. Our decision to open a bus service between Amritsar and Lahore was warmly welcomed in the city, just as it has been in our Punjab. The Governor of Punjab received me with warmth and Chief Minister Elahi graciously hosted a lunch for me.

7. There was also an interaction with SAFMA (South Asia Free Media Association), which is a grouping of leading media personalities from South Asian countries. In all these interactions, I encountered a new spirit of goodwill and a commitment to open the doors between our two countries even wider in the days to come.

8. It is this foundation of positive sentiment and hope at the levels of people that gives us the conviction that the current peace process is more firmly anchored and more capable of yielding results than similar initiatives in the past.
9. It is in this spirit that we pledge to carry forward the dialogue between our countries in the days to come.



174 . Joint statement issued at the first meeting of India-Pakistan Joint Study Group (JSG) on Trade and Economic Cooperation.

New Delhi, February 23, 2005.

The First Meeting of the India-Pakistan Joint Study Group (JSG) on Trade and Economic Cooperation was held on February 22-23, 2005. The Indian delegation was led by Mr. S.N. Menon, Commerce Secretary, Government of India and the Pakistani delegation was led by Mr. Tasneem Noorani, Commerce Secretary, Government of Pakistan.

2. The meeting was inaugurated by Mr. Kamal Nath, Minister for Commerce and Industry, Government of India. The talks were held in a cordial and constructive atmosphere.
3. The Joint Study Group had detailed discussions on promotion of trade and economic cooperation for the mutual benefit of both countries. The JSG constituted two Working/Sub-Groups on Customs Cooperation & Trade Facilitation and Non-Tariff Barriers (NTBs). The Terms of Reference (TOR) for the Sub-Groups were mutually agreed upon. The two sides identified issues relating to bilateral trade and deliberated upon the future roadmap in order to enhance trade and economic cooperation. It was also decided to hold the Second Meeting of the JSG on mutually agreed dates.
4. The recommendations of the JSG would be submitted to the respective Governments for consideration under the framework of the Composite Dialogue.



175. Suo Motu statement in the Rajya Sabha by External Affairs Minister K. Natwar Singh on his visit to Pakistan.**New Delhi, March 4, 2005.**

I visited Pakistan from February 15 to 17 2005. It was the first visit of an Indian Foreign Minister to Pakistan in almost 16 years. I met President Musharraf, Prime Minister Shaukat Aziz, and held extensive discussions with my counterpart, Foreign Minister Khurshid M. Kasuri.

During my visit, agreement was reached with Pakistan to commence a bus service between Srinagar and Muzaffarabad. Honourable members would recall that the proposal for the Srinagar - Muzaffarabad bus was first announced on October 22, 2003 by Shri Yashwant Sinha, the then External Affairs Minister.

Agreement was also reached on starting a bus service between Lahore and Amritsar, including to religious places such as Nankana Sahib. Pakistan also agreed to work towards the early restoration of the Khokrapar-Munnabao rail link. These links would significantly enhance people-to-people contacts, which have provided palpable support to the present process.

The Srinagar Muzaffarabad bus service is expected to commence on 7 April 2005. Dates for the Amritsar-Lahore bus service and the Khokrapar-Munnabao rail link will also be finalized.

On the Srinagar-Muzaffarabad bus service, let me clarify that all Indian and Pakistani nationals would be permitted to use this route across the LoC. Each side will designate its authority for receiving application forms for travel and for issue of travel permits at the checkpoint. On the Indian side, the designated authority is the Regional Passport Officer, Srinagar. The procedure adopted is without prejudice to our stated position on the issue of Jammu & Kashmir. The display of mutual flexibility has enabled the two sides to take a significant step in responding to humanitarian considerations, particularly the opportunity for divided families to meet each other with relative ease and convenience.

We have also agreed to look at a pipeline through Pakistan subject to satisfaction of our concerns related to security and assured supplies. This would also contribute to widening of our economic inter-linkages.

During my visit to Islamabad, following additional agreements were reached:

- (i) Between now and July, agreements will be finalized on Pre-notification of Missile Tests, MOU between Indian Coastguards and Pakistan's Maritime Security Agency, and MOU between Narcotics Control Authorities.
- (ii) Discussion would be initiated on agreements on reducing Risk of Nuclear Accidents or Unauthorized Use of Nuclear Weapons and Preventing Incidents at Sea.
- (iii) Further measures to alleviate the situation of civilian prisoners and apprehended fishermen would be taken. I impressed upon the Foreign Minister of Pakistan the need to release the apprehended fishermen along with their boats, and to expedite their return.
- (iv) It was agreed to continue with efforts for early re-establishment of our respective Consulates General in Karachi and Mumbai.

The issue of Baglihar Hydroelectric Power Project in J&K was raised by Pakistani leaders. We pointed out to them that the project was fully in consonance with the Indus Waters Treaty of 1960, to which we remain committed. I also conveyed that the last round of bilateral technical discussions had registered progress in our view, and if the discussion had been continued there could have been even greater convergence of views. While expressing our willingness to return to bilateral discussions, I said that Pakistan's reference to the World Bank to seek the services of a neutral expert was premature. Members are aware that the project is of great significance for the economic development of J&K, and we intend to continue with the project.

On my way back, I visited Lahore where I addressed a group of media persons and prominent citizens at a meeting organised through SAFMA (South Asia Free Media Association). I called on the Governor of Punjab, Lt. Gen. (rtd) Khalid Maqbool, while the Chief Minister Chaudhary Pervez Elahi graciously hosted a lunch for me. At the lunch, I had a useful discussion with Chaudhary Shujaat Hussain, President of Pakistan Muslim League.

The atmosphere in all these meetings was relaxed, friendly and

positive, with emphasis on commonalties, and importance of people to people contacts.

My visit took place in the overall context of improving bilateral relations with Pakistan. We intend to impart further momentum to the present process.

As Honourable Members are aware, significant developments have taken place in India-Pakistan relations since April 2003. Relations have been restored at the level of High Commissioners, transport and communication links have resumed, one round of the Composite Dialogue has been completed. A series of technical level and Composite Dialogue related meetings have been held on schedule. Another round was initiated during the Foreign Secretary level talks in December 2004 in Islamabad.

People to people exchanges are taking place across the spectrum in large numbers. There has been a resumption of visits by pilgrim groups. Our High Commission is currently issuing close to 7,000 visas per month. This month, we expect to issue an additional 8,000 visas, over and above this number to cater to the requirements of those coming to watch the India-Pakistan cricket series in India.

The ceasefire has held for more than a year. The bilateral process has been given impetus through maintenance of high level contacts: PM met President Musharraf in New York in September 2004; Pakistan PM Shaukat Aziz visited New Delhi on November 23-24, 2004.

Some progress has also been achieved on the humanitarian issue of fishermen and civilian detainees. During the Foreign Secretary level talks in December 2004, it was inter-alia agreed that both sides would give consular access to all prisoners under their custody. Following the visit, Pakistan has provided consular access to approximately 100 civilian prisoners and 650 fishermen in January and February 2005. We are continuing to press Pakistan on the issue of 54 missing defense personnel.

On the Sir Creek issue, a Joint Survey of the boundary pillars in the horizontal segment of the International Boundary in the Sir Creek area has also been successfully concluded in January 2005.

Thus meaningful progress has been achieved and the Government intends to continue with the present process in an atmosphere free from terrorism and violence. Government have made it clear that the process is

critically dependent on the fulfillment of January 6, 2004 commitment of President Musharraf not to permit any territory under Pakistan's control to be used to support terrorism in any manner.



176. Question in the Rajya Sabha: "New Rail and Bus links between India and Pakistan".

New Delhi, March 17, 2005.

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

- (a) the details of the proposal for the new rail and bus links between India and Pakistan;
- (b) whether Government have examined its viability;
- (c) if so, the details thereof;
- (d) whether the security implication of such links was taken into consideration before making such announcements; and
- (e) if so, the details thereof?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed):

a) to (e) A statement is placed on the Table of the House.

Statement

During the visit of External Affairs Minister, Shri K. Natwar Singh, to Pakistan from February 15-17 2005 to Pakistan, agreements were reached to start bus services between Srinagar and Muzaffarabad, and between Lahore and Amritsar, including to religious places such as Nankana Sahib. Pakistan also agreed to work towards early restoration of the Khokrapar-Munabao rail link.

These links would significantly enhance people-to-people contacts, which have provided palpable support to the present process. Security implications of the above links have been taken into account and passengers

will be allowed to travel on them only after due procedures and checks have been completed.

Shri Rajnath Singh: *Mr. Chairman, Sir, It is a very important issue. When the External Affairs Minister signed an agreement with Pakistan on this subject, it was our expectation that a statement in the House would be made. Even after a long interval no statement has been placed on the Table of the House. After being disappointed I had to put this question on an important issue. The Hon'ble Minister in his reply has stated that the decision on the bus service has been taken to promote people-to-people contacts between India and Pakistan. No one can take objection that relations between India and Pakistan should improve. No only that the means of transport between the two countries should be convenient, simple and without much fuss. But the most important thing is to take care of security. The relations between India and Pakistan...(interruptions)*

Hon. Chairman: *Please ask the question.*

Shri Rajnath Singh: *I want to know that after all the facilities have been provided, there should be no let up of any kind in security. What steps the Government of India has taken to ensure this? I also want to remind...(interruptions)*

Hon. Chairman: *Let the Government have its say.*

Shri Rajnath Singh: *Sir, I want to remind that when the government under Shri Atal Behari Vajpayee decided this...(interruptions)*

Shri Dipankar Mukherjee: *He is arguing...(interruptions)*

Hon. Chairman: *Please ask the question; I wont allow you to make a speech.*

Shri Rajnath Singh: *Sir, at that time there was a provision for passport and visa; but now passport and visa requirements have been removed, and a simple permit system has been introduced. I want to know what political and diplomatic advantage has accrued to India?... ..(interruptions)*

Hon. Chairman. *O.K you have asked the questions.*

Shri K. Natwar Singh: *Sir, I want to say that we all respect Shri Rajnath Singh. I was to give a statement last week, I could not do so for some*

reasons. Therefore I had laid it on the Table of the House. This is my answer to the first question. The second question raised is about security. I want to say with all the respect that our government is as much concerned about security as you are; but I want to remind what was happening in Kargil when Shri Atal Behari Vajpayee and Shir Jaswant Singh were embracing in Lahore.

Shri Rajnath Singh: Chairman, Sir, Whatever may have happened in Kargil .. (interruptions)

* * * *

Hon. Chairman: You ask the question. Please forget what happened in Kargil..(interruptions) ask the question.

Shri Rajnath Singh: Sir, on such an important security related question, the External Affairs Minister is making such a comment. What happened at the time of Kargil, the whole country knows it. India's dignity came into focus before the world. This is the truth. Sir, I want to know...(interruptions)

* * * *

Shri Rajnath Singh: I had placed some security related questions before the Hon. Minister. I am sorry I did not get a proper response for them. I had said when the NDA government had decided on the transport related facilities, there was provision for passport and visa. But now under Pakistani pressure you have given them up; and accepted the permit or licencing system. I want to know by this system what political or diplomatic advantage India has gained. This is my first question to you.

Mr. Chairman, with this first question there is the second one which I want to ask the Hon. Minister. A large number of Pandits from Poonchh and Rajouri are settled in Jammu; but till today they have not got their citizenship; such people who from Poonchh and Rajouri who are settled there directly and have not been able to get the citizenship till now, how will they take advantage of this bus service? This is what I want to know and also along with that want to know the United Nations Monitoring Group that is deployed there has its utility still intact or you are going to wind it up.. (interruptions)

Shri Manoj Bhattacharya: He keeps putting so many questions. That is too much.

Shri E. Ahamed: Sir, I hope, if the hon. Member would like to know the special procedure that we have adopted in this matter, his grouse and whatever feelings that he has expressed could be dispelled. Sir, for the Srinagar-Muzzafarabad bus service, a special procedure has been worked out for travel across the LoC, which would preserve India's principled position on Jammu and Kashmir and also, take into account all the security concerns.

With your kind permission, hon. Chairman Sir, I would like to just explain that procedure. Then these doubts will be definitely removed. Application forms for travel by bus across the Loc would be available with the designated authorities in Srinagar and Muzzafarabad. In India's case, the designated authority is the Regional Passport Office in Srinagar, Ministry of External Affairs. Further, the application forms would require information and details, including photographs, as is normally required for a passport and a visa.

The intending traveller on our side of the LoC would submit the application form to the RPO, Srinagar. The application would be subjected to due verification on our side to establish the bona fides of the traveller. The verified form would be passed on to Muzzafarabad through the immigration control point at the LoC to decide on the acceptability of the traveller. Due verification would be carried out on the other side. The verified forms would be returned to the RPO, Srinagar through the same route. The returned form would indicate those who would be allowed entry to the other side. In the course of the actual travel, based on this application, an entry permit would be issued by the other side at the immigration check point by its designated authority.

Shri Rajnath Singh: *Sir, What is the need of such a lengthy response?... (interruptions)*

Hon. Chairman: *Let him speak. (interruptions)*

Shri. E. Ahamed: Sir, I may be permitted to complete my answer...(interruptions)..he just now asked about the procedure...I am just mentioning the special procedure. For travellers coming to J&K, from Muzaffarabad, the entry permit would be issued by the RPO, Srinagar, at

the immigration checkpoint at the LoC. It would indicate the number of days allowed for the visit as well as the places allowed. (Interruptions)

Mr. Chairman: Your reply has been circulated to all the Members. (Interruptions)

Shri E. Ahamed: Sir, I just want to explain that all their concerns with respect to security have been taken into account. This is almost like issuing of a passport. And it is also as much as like issuing of a visa. It will be called a special application form and entry permit will be issued only after due verification by both sides. There should be no reason for any apprehension with respect to the security.

Prof. Saif-ud-Din Soz: Sir, I congratulate the Government of India on taking this bold decision, as also the Prime Minister, who considered this question. Mr. Natwar Singh's contribution is also there. It is very timely. Here I would like to put a definite question. But before that I want to tell this House that this decision to open Srinagar-Muzaffarabad road has been very widely welcomed in the State of Jammu and Kashmir. It has brought relief in the minds of the people who got separated.. I am happy that the Government of India has taken measures in respect of security. Now, the point I have in my mind is that it is very good that Srinagar-Muzaffarabad route will be opened very shortly. There are two routes which are very important — Kargil and Skardu. That is very important for those backward, illiterate and poor people...(Interruptions)

Mr. Chairman: Please, come to the question. (Interruptions)

Prof. Saif-ud-Din Soz: Sir, earlier there was a rail link between Jammu and Suchetgarh. We want that there should be a road link between Suchetgarh and Jammu as also a rail link. So my question is this. Will the hon. External Affairs Minister, Mr. Natwar Singhji, consider and take this House into confidence on Kargil-Skardu road and Suchetgarh-Jammu Road?

Hon. Chairman: *This does not come within the purview of this question.*

Prof. Saif-ud-Din Soz: *it does.*

Hon. Chairman: *Then let the Minister respond.*

Prof. Saif-ud-Din Soz: Sir, we want relief in other areas.

Shir E. Ahamed: Sir, I just want to say only one thing. There are number of such proposals in Kargil sector, Jammu and Sialkot. The Government would examine them soon after the Srinagar-Muzaffarabad route has been assessed.

Shri Yashwant Sinha: Sir, the Minister of State, Shri Ahammed, had explained to this House in detail the procedure that will be followed with regard to the travel documents. He has not indicated, however, certain other things. Therefore part (a) of my question is, which is the designated authority on the Pakistan's side which will entertain the applications and issue the permits?

Part (b) of my question is this. Is it a fact that when the Indian traveller goes to the LoC, he will be travelling in Pak-occupied Kashmir on the basis of an entry permit issued by the Pakistan designated authority? And will it therefore not amount to a situation where he will have some kind of a visa without a passport? Arising out of this, is it a fact that this will strengthen Pakistan's claim that the Jammu and Kashmir is a disputed territory and that the Government of India has lent legitimacy to the authorities of Pak-occupied Kashmir including the northern areas?

Shri E. Ahamed: Sir, I do not think it will strengthen their claims and legitimacy on the area under their occupation. But, on the other hand, it will strengthen India's stated position that we did not accept their demand for local documents. They wanted only a local document. We said, "No, we cannot". Why we said that local document was not acceptable to us is because since 1950, such documents were used to travel not only in Jammu and Kashmir, but also across Punjab and Rajasthan borders. Therefore, we did not accept that. There would be...(Interruptions)... I am coming to Pakistan...(Interruptions)...

Shri Yashwant Sinha: That was my first question: Who is the designated authority? That was my first question...(Interruptions)...

Shri E. Ahamed: They have their own Director-General...(Interruptions)...Sir, we are concerned about the designated authority that we have decided...(Interruptions)...

Shri Yashwant Sinha: Sir, they must know as to who the designated authority on the Pakistani side is. You are saying on 17th March that the bus will be

inaugurated by the Prime Minister on the 7th April and you do not know as to who the designated authority on that side is.

Shri E. Ahamed: Sir, designated authority is the discretion of the respective States...(Interruptions)...

Shri Yashwant Sinha: Who is it? ...(Interruptions)... Who have they decided?...(Interruptions)...

Shri E. Ahamed: Hon. Member, I may just be permitted to say that the only thing is whether the special procedure that we have adopted is implemented or not. The special procedure is our designated authority to do our work and their designated authority to do their work...(Interruptions)...

Shri Yashwant Sinha: Is their designated authority the Deputy Commissioner of Muzaffarabad?

Shri E. Ahamed: It is a matter to be decided by Pakistan... (Interruptions)... We are not to dictate them as to who should be theirs, and they are not to dictate to us as to who should be ours...(Interruptions)...

Shri Yashwant Sinha: Sir, this is breath-taking because the Minister will not answer it and I am sorry that the senior Minister is just sitting and not replying. I am asking as to who is the designated authority on the Pakistan side.

Shri K. Natwar Singh: This proposal was put forward by your Government.

Shri Yashwant Sinha: Yes, we are very proud of it. But we had insisted that it should be done on the basis of passport...(Interruptions)...

Shri K. Natwar Singh: Let me assure you that we have looked very carefully at the discussions you had with the Prime Minister Jamali, their proposals for having passport and your proposals. All these details have been discussed *ad nauseam* and we are not recognising any local identity document. Pakistan can decide who they want to designate as their authority. We are not accepting on our side any document which we don't think is the right document. That is the first thing. Secondly, the composite dialogue that you started, we are taking it forward in every single area. And, the security aspect was also mentioned. The Prime Minister, I may mention, has informed your leadership about what has been done on this particular

issue and every care has been taken that in no way India's security or India's national interests will be adversely affected...(Interruptions)...

Mr. Chairman: Please take your seat...(Interruptions)...Please take your seat...(Interruptions)...

Shri Yashwant Sinha: *Sir I asked a specific question in parts a, b and c. and I expect a specific reply. Because this 'general editorial' he will get away with this..(interruptions)*

Shri C. Ramachandraiah: When your Minister is not in a position to explain, why do you shout?...(Interruptions)...He is not in a position to explain, why do you shout?...(Interruptions)...

Shri Janardhana Poojary: He is a senior Member...(Interruptions)...

Mr. Chairman: The Minister is here with his reply. Please take your seat...(Interruptions)...

Shri K. Natwar Singh: Sir, I am trying my very best to answer the question. Even today, if people travel by normal route, it is okay. They would go on the basis of a Pakistani visa. So, presently, neither is there any compromise nor a change. What I am trying to say is that, please read the interview that you gave in October, 2003 in which you waxed eloquence about the marvellous thing that you were doing on Indo-Pakistan relations. Please read it.

Shri Yashwant Sinha: What has it to do with it?

Shri K. Natwar Singh: It has everything to do with it. (Interruptions)

Shri Yashwant Sinha: I am not opposing it. (Interruptions) He is diverting the attention... (Interruptions) I am not questioning the process. (Interruptions) I am asking a specific question, and I want an answer.

Shri K. Natwar Singh: Sir, this is a very extraordinary situation. We are supposed to answer who will be the Pakistani authority...(Interruptions)

Shri Yashwant Sinha: You will be recognising the Pak-occupied-Kashmir if we accepts anything that Pakistan says. *There is our parliamentary resolution. You are not worried about that. What are you doing?* I am not only disappointed, but also amazed at his reply. (Interruptions)

Shri K. Natwar Singh: Let me very politely say that I entirely return your compliment, what you have given me. I am amazed and also disappointed by your compliment. Let me tell you one thing sincerely. The Chief Minister of Jammu and Kashmir telephoned the Prime Minister and came to see me in Delhi to say that he welcomed this step, the people of Jammu and Kashmir welcomed it and the whole of India welcomed it.

Shri Jaswant Singh: Mr. Chairman, Sir, I had really no intention of either seeking the clarification or entering into this field, which has been converted into an area of contention from the very beginning by the hon. Minister, by traversing this question in a variety of ways. The question and its elements are very simple. I am sure, they are, in general, maintenance of security, and there is no doubt that we are unacquainted. We are concerned for security. I don't think that was the question at all. We have a commitment, and snide efforts are made as sarcasm by the hon. Minister. The fundamental question still remains that, when it is, a passport officer on this side, and a passport officer's system on the other side, when they would be checked through Customs, and when you are making a beginning, then, why have you moved away from the passport and visa, when in actuality, you are doing everything that a passport and visa are required, plus, what you are doing is that you now say that any citizen of Pakistan, from anywhere in Pakistan, can utilise this method, coming to Srinagar via the Muzaffarabad route, and thereafter, he has not the right to leave Jammu and Kashmir. We are fully convinced of their concern about security. I don't think the starting point of this discussion is that, and that is why, I find it strange when the hon. Minister, who must really have the maximum information, answers the question in this manner, because this becomes a very dangerous instrument, Nzinga, and so, that is why, all that we wanted to know is that when you have shifted away from passport and visa, which, after all, is a method of establishing identity, and a means of travel, what additional benefit has it accrued to India? What is visa? Visa is granting a permission to travel. That is the essence of what it is. When you have moved away from it, what my distinguished colleague, Shri Yashwant Sinha, wanted to know is that, why have you moved away? What additional political, diplomatic and security gains have accrued to India? Have you done this in this region? (Interruptions)

Shri Nilotpal Basu: Let us have a debate on this subject. I think, within the framework of Question-Answer, we cannot really address all the issues. We

have no problem in having a debate. (Interruptions) Question Hour is not the appropriate forum. (Interruptions)

Shri S. S. Ahluwalia: *The leader of the opposition cannot speak?*

Shri Yashwant Sinha: *Is this joke?..(interruptions)*

Shri Mukhtiar Abbas Naqvi: *The House cannot run like this. If they do not let the Leader of the Opposition to speak, the House will not proceed...(interruptions)*

Mr. Chairman: *Let him speak. ..(interruptions) Let him put the question. Let him speak. You may sit down.*

Shri Jaswant Singh: *Hon. Chairman, There are no two opinions that for the people of the two countries means of transport are simple and easy and there are more opportunities. That is why we suggested Jammu – Lahore; Amritsar – Lahore; Jammu – Sialkot; Jammu – Suchetgarh – all these places are opened up so that any citizen of Pakistan can use them. But if 35 come and 31 go missing; this raises a question in itself. When visa and passport .. (interruptions)*

Shri Nilotpal Basu: *This is question or discussion, at least tell us this...(interruptions) We can't misuse the Question Hour like this. ...(Interruptions)... Sir, if you kindly allow us to have a debate on this, we can all participate. ...(Interruptions)... And this is an important issue. ...(Interruptions)...*

Shri Jaswant Singh: *We said this, these were our suggestions, definitely. This is what Hon. Atal did in the year 2000. We suggested in 2000 that we use the route of passport and visa; this was not acceptable to Pakistan. ..(interruptions)... This did not happen then, then they said that..(interruptions)*

Nilotpal Basu: *Sir, We need your protection. Is this question or speech? ..(interruptions) ..*

Shri Surendra Nath: *Why is he repeatedly interrupting? ...(interruptions)*

Mr. Chairman: Let him finish.

Shri Jaswant Singh: *If now passport and visa requirements have been given up, the reasons for that? What are we going to gain from this?..(interruptions)*

Shri K. Natwar Singh: May I, Sir, first, respectfully address the distinguished Leader of the Opposition there? I do not have your gift of obfuscation, and neither do I have your style of speech, fortunately, because you know.....(Interruptions).....(Interruptions)...

Shri Yashwant Sinha: Why is he saying all this? ...(Interruptions)... From the first sentence, the hon. Minister of External Affairs has unnecessarily started saying.....(Interruptions)...

Shri Nalotpal Basu: *Sir, Give us an opportunity to make a speech next time. ..(interruptions)*

Hon. Chairman: Let him speak. ..(interruptions)

Shri K. Natwar Singh: I will tell you.....(Interruptions)...

Mr. Chairman: Let him reply. ...(Interruptions)...

Shri K. Natwar Singh: Let me answer you. ...(Interruptions)... Let me answer you. ...(Interruptions)... The people of Jammu & Kashmir have welcomed the step, and that is all that is important of what you think.

Shri Yashwant Sinha: Is that all? ...(Interruptions)... The people of Jammu & Kashmir have welcomed it. Is that all? ...(Interruptions)... Is that all?

Mr. Chairman: Dr. Farooq Abdullah. ...(Interruptions)... Dr. Farooq Abdullah.

Dr. Farooq Abdullah: Sir, I would like to first congratulate the ex-Prime Minister of India, Mr. Vajpayee, for starting a dialogue with Pakistan. Then, I would like to congratulate the present Prime Minister for continuing the same process of dialogue that was started by this side. Now, Sir, there is only one problem. Let us be very clear on this. Are we, Kashmiris, Indians or are we, Kashmiris, disputed? Please answer that. This is part one of my question. Secondly, I would like to ask you, Sir, if you have read it that the Pakistan-occupied Kashmir Assembly has announced that only Kashmiris will be travelling on this route, which means nobody from the rest of the country... ..(Interruptions)...

* * * *

Dr. Farooq Abdullah: —Maharaja of Kashmir might come, but Farooq

Abdullah will not travel because I believe we are all part of India. I will not be; neither will carry me on the bus as these people did not carry me, nor will you carry me. I want to make one thing very clear, Sir. Let me be very clear. I have a lot of problems in my own party. Whereas we welcome this bus, you have opened a new route, but for God's sake, don't compromise on India. Do not compromise on India. One day, probably, I will get a bullet here, but being an Indian. And I hope you won't cry on that day; nor would I want you to put flowers on my grave. I want to make one thing absolutely clear that while we welcome this bus, please, if Mr. Farooq Abdullah has to travel on a passport, why not a passport for a Pakistani from that side? Why should Pakistan dictate to us that there can be no passport? Why cannot the Indian passport stand correctly there? Please answer this, though I welcome the bus. And it is not Mufti who started the bus; it is your Prime Minister and my Prime Minister who did this, and thanks to your diplomatic skill, you are able to do this.

Shri K. Natwar Singh: They have allowed anyone from India and Pakistan including Jammu and Kashmir. You can today come to Delhi and then go to Pakistan. As regards what you said, let me assure you; I am as patriotic, an Indian, as anybody in this House, and I wish you 100 years of life. More likely, you will put flowers on my grave than I will be on yours, because I am 20 years elder to you. But the fact of the matter is that you have welcomed this step. It is a beginning. We are going ahead with the railway line...(Interruptions) The question is, India's security, India's sovereignty, India's nationality, will not be allowed to be compromised.

Dr. Farooq Abdullah: Sir, it is not a question of Indian sovereignty. I would like to know, every Indian would like to know, as to why they would not accept our passport, the document that you and I hold. You cannot travel to Pakistan without that document, nor can I travel without that passport.

Shri K. Natwar Singh: Our distinguished Prime Minister is flagging the bus on the 7th. May I invite you to be there at the ceremony? And, I hope...(Interruptions)

Shri Yashwant Sinha: The question is: Will he be able to travel by bus? (Interruptions)

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Dr. Manmohan Singh: Mr. Chairman, Sir, the hon. Members on the opposite side have raised many issues. The first issue was with regard to the security of our country. I can assure you, and, through you, the House, that all agencies of the Government of India, which are concerned about the security of our country, were consulted, and they were fully on board that the mechanism that we have adopted, in no way, poses any danger to our country. The second thing I do want to say is that there was this reference about the use of passports or not. But we came to the conclusion that we were essentially dealing with the human problem, the problem of divided families. And I am satisfied with the fact that a particular document being used for this purpose does not in any way compromise our rights and obligations with regard to the State of Jammu and Kashmir.

...(Interruptions)...

Hon. Chairman: *This will be discussed..(interruptions)*

Shri Yashwant Sinha: Sir, what the Prime Minister has said is not reflected in the... ..(Interruptions)...

Shri Jaswant Singh: Sir, with great hesitation... (Interruptions)

Shri Raju Parmar: Sir, you have already called Dr. Ramaswamy. (Interruptions)

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The Leader of the Opposition (Shri Jaswant Singh) : Mr. Chairman, Sir, ordinarily, after the Prime Minister has given voice to his views and expressed an opinion, we would have no interest whatsoever in creating any kind of questioning of what he has said. I fully agree but Sir, that the hon. Prime Minister and the hon. Minister of External Affairs are fully committed to the security of India. I don't think the starting point is that. What I have said that if you have moved away from a visa and a passport system and have agreed to the alteration of the system, then, perhaps, it would do good, if you explain to us what advantage it has accrued to India, what political and diplomatic gain have come. After that, the hon. Prime Minister said, "We will take all care of the security." There is no doubt about it. I don't, for a minute, doubt the intention, either of the Government or of the Prime Minister, but we do question the method that has been adopted. If that method which has raised the kind of query and question that my good friend has also given voice to... (Interruptions)

Shri V. Narayanasamy: That we will discuss at the time of the full-fledged discussion on this subject.

Shri Jaswant Singh: The hon. Minister of External Affairs said that all that has happened is, this has been received with acclaim by the people of Jammu and Kashmir. I don't know if it has been received with acclaim by everybody in all parts of Jammu and Kashmir.

Shri Anand Sharma: Not by you.

Shri Jaswant Singh: After all, my friend, Dr. Farooq Abdullah is also a very distinguished representative of that State. We do support the accord; we have worked for that accord. The moment we think that the people of India and Pakistan must be facilitated, must be eased, but not at the cost of Indian nationalism... (Interruptions) That is why I asked, 'Why have you done away with the visa and passport system? (Interruptions) What advantage has it accrued to us?

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(Text in italics is unofficial translation from Hindi).



177. Reaction of Official Spokesperson on Pakistan's offer to withdraw troops from Siachen.

New Delhi, March 24, 2005.

Question: Pakistan's Foreign Minister has said in an interview¹ that Pakistan is ready to demilitarization in Siachen. Any comment on that? Also, on Srinagar-Muzaffarabad?

Answer: Well as far as Srinagar-Muzaffarabad CBM is concerned, it is in fact a very important CBM. As you know India had proposed it as far back as October 2002. We are certainly hopeful that it will serve the purpose that

1. In an interview to the NDTV channel, Pakistan's Foreign Minister Kasuri reportedly said that Pakistan was ready to pull out troops from the Siachen glacier. He said; "We are prepared to do it (pull out from Siachen) tomorrow. There was already an agreement between the Governments of India and Pakistan ...let's implement it tomorrow...there was an agreement years ago."

it is intended to. As far as the issue of Siachen demilitarization is concerned, Siachen is an issue in the Composite Dialogue. It is a matter under discussion between the Defence Secretaries of the two countries. As you know the first round of the Composite Dialogue has already been held. So, I would refrain from any further comment.



178. Media briefing by Foreign Secretary Shyam Saran on the visit of President of Pakistan Pervez Musharraf.

New Delhi, April 16, 2005.

Official Spokesperson (Shri Navtej Sarna): It is with great pleasure that I welcome the Foreign Secretary accompanied by the High Commissioner, Mr. Shiv Shankar Menon for this briefing. Foreign Secretary will address the press. Since we also have people here who are not usually here, I just want to let you know we will follow a list. Please indicate your interest in asking questions. We will try to accommodate the maximum.

Foreign Secretary (Shri Shyam Saran) : Thank you very much. Good afternoon to all of you.

In a short while from now, we will be welcoming President Musharraf and Begum Sehba as our very honoured guests. External Affairs Minister Mr. K. Natwar Singh will be receiving them at the airport. We are looking forward to a very friendly and a very successful visit with a constructive and forward-looking result. We trust that our respective cricket teams will put forward an exciting display of their cricketing skills and sportsmanship tomorrow morning¹.

1. The visit of the Pakistani President flowed from the interest shown by him to watch one of the cricket matches that were being played between the Indian and Pakistani teams in India. Initially when President Musharraf showed interest the Prime Minister had said that he would welcome a visit by him to witness one of the matches. On March 9 the Press Advisor to the Prime Minister Sanjay Baru stated that the Pakistan President would be coming to India to witness one of the cricket matches. "It is a friendly visit...Every visit does not have to become a State visit", he said. "All our neighbours should feel free to come to India any time they want", Baru said. India would be happy to welcome the Pakistani President for any of the matches. He added that the External Affairs Ministry had been asked to coordinate with Islamabad on making arrangements, including security issues for the visit. On March 4 the *Pakistan Observer* had quoted Gen. Musharraf as saying that he would consider traveling

Of course, this visit also provides an opportunity for leaders to meet and discuss matters of mutual interest and concern. They will, of course, be having this opportunity both socially. Prime Minister, as you know, will be hosting a dinner in honour of President Musharraf and Begum Sehba this evening. But, tomorrow there will be also an occasion for them to talk to each other during the forenoon after they have seen the first part of the cricket match.

As our Prime Minister has pointed out, when two leaders meet, they can talk about whatever they wish to talk about. We have no hesitation in discussing whatever may be of interest to President Musharraf. I would like to draw your attention to the fact that this visit takes place after a year and a half of a very intense dialogue process that has been continuing between the two countries. We have, I think, very much of an improved atmosphere in the relationship between the two countries. We have put in place a number of confidence building measures. The contacts between the peoples of the two countries has been probably on a scale which is unprecedented. Our High Commissioner is having a major problem in trying to keep up with visa applications. He is issuing about ten thousand visas a month, if I am not mistaken. When a cricket match takes place, he is under a greater degree of pressure but that is all for a good cause.

Even on the issue of Jammu and Kashmir, we have had a major breakthrough in the shape of the Srinagar – Muzaffarabad¹ bus service, which despite threats from the terrorists, has gone ahead successfully. Our Prime Minister has a vision, which he has articulated, of a world where borders become less and less relevant. We look forward to a time when there will be much freer traffic across the borders, across the Line of Control; there will be greater transport linkages, cultural exchanges; there would be perhaps even the people of the two sides getting together to look at shared problems of the environment. There are a number of areas in which there could be very fruitful exchanges between the two sides.

I think it is with that vision that Prime Minister would be talking to his honoured guest. As I said, we have every reason to believe that against

to India to watch cricket if invited. "I love watching any sport. I would love watching cricket. I don't believe in going without invitation anywhere. If there is an invitation, one would certainly like to consider," he was quoted as having said.

1. When the two leaders held their summit talks the next day, they committed themselves to increasing the frequency of this service.

this background of a much more improved relationship, much greater interaction between the peoples of the two countries, and the fact that on the eve of his visit to India we have heard some very positive statements also coming from Pakistan, coming from President Musharraf himself.

Our Prime Minister also has in his public statements spelt out what our vision is of taking this relationship forward. So, we believe that all this augurs very well for this forthcoming visit; it will be a very informal, relaxed visit celebrating the cricketing bonds between the two countries, and at the same time taking advantage of this opportunity to engage in a very wide-ranging and fruitful dialogue.

Thank you very much.

Question : Mr. Secretary, you said that this is going to be a very friendly and fruitful visit. We are also getting news that some of the members of the official cultural delegation were denied visa by the Pakistan. How would you react to that?

Foreign Secretary: We have always believed that it is to the benefit of both countries to really celebrate the cultural affinities between us. I do not know the reasons why visa has not so far been granted to the cultural troupe which was supposed to visit Pakistan. But certainly I think our projection to our Pakistani friends would be that we welcome all their artistes, cultural personages and we would certainly hope that this would reciprocated from their side.

Question: There are lots of pending issues like the Consulates have to be opened, which is pending. Mr. Menon is under pressure with all kinds of visa problems, manpower problems. When are the missions going to be restored to 100 per cent? What is the hitch? What is happening on Munabao-Khokhrapar front and what about the infrastructure problems?

Foreign Secretary: That is not really related to the visit as such because there is a mechanism through which all these pending issues that you are talking about are in fact being addressed. With regard to the opening of Consulates, rather reopening of the Consulates, we had shown some properties to our Pakistani friends in Mumbai. Perhaps they were not found suitable or they were very expensive. We have now requested the Maharashtra Government to please help us locate some other properties,

which I believe has been done. I understand that very soon, perhaps, a team from the Pakistani High Commission will again be going to Mumbai to look at these properties. So, we are making every effort possible to get the Consulates reopened as early as possible.

With regard to the infrastructure that you have mentioned, yes, that is being looked at with great deal of priority. Mr. Menon heads a Mission which is very important. Its requirements have always had priority. So, we are taking all possible action in order to ensure that there is no lack of infrastructure in terms of space or in terms of personnel to enable the High Commission to do its job properly.

Question : ... (Question in Hindi inaudible)...

Foreign Secretary: *It is our expectations that all the CBMs, which we have offered to are agreed Upon. We believe, and our Prime Minister has also said, that the border line that we have, its importance is somewhat reduced. This is our belief. We have put on the table a large number of CBMs. We believe if all these CBMs are implemented it will make a lot of difference in our relations.*

Question : Both General Musharraf and Mr. Natwar Singh have stressed on the need of an out-of-the-box solution? What can be the out-of-the-box-solution?

Foreign Secretary: I think I just mentioned that we are looking at a vision of a relationship between the two countries where the borders become less and less important. I think that is already perhaps thinking away from our conventional way of handling relations between States.

Question : In real terms, how does India interpret soft borders, the phrase used by General Musharraf? In real terms, not in philosophical terms.

Foreign Secretary: I think President Musharraf was in a sense responding to something that we have been saying for some time. We are very happy that he accepts that the way forward is having softer borders. What does softer borders mean? It is precisely what I mentioned at the outset that it means that there should be much freer traffic across the borders; that people should find it very easy to come and go, meet their relatives; there should be very easy trade relations between the two sides; we should have very efficient transport linkages between the two sides. There may be certain

common issues that people on both sides face. Are there ways in which we can address those problems, talk about those problems? There are cultural affinities between the peoples of the two sides. Is there some way that we can bring the peoples together through that cultural affinity, celebrate that cultural affinity between them? These are the things that constitute soft borders.

Question : On the one hand we are talking about all this trade and the bus service and rail service and all that. As far as Washington is concerned, what message Washington and Pakistan are giving to India and to the international community by selling and receiving F-16s at this time of our relations? What message do you have for the NRIs? What can we make out of this all?

Foreign Secretary: As far as the issue of F-16s is concerned, I think India's position has been very clearly spelt out and I do not think it needs to be repeated again and again.

What is the message we received in Washington? The message was very clear that the United States of America feels very optimistic about the peace process which is taking place between India and Pakistan and supports fully the peace process.

The message we are getting from Pakistan? As I mentioned to you, we are very encouraged by the statements which President Musharraf himself has been making on the eve of his visit. That is why I am saying that the background to this visit is a very positive background because of the progress that has already taken place in the year and a half since the dialogue process has been resumed. Let us not forget that one and a half years is a rather short time. I think we should be proud about the fact that we have actually achieved quite a great deal in this one and half years. So, it is with a degree of optimism that we look forward to President Musharraf's visit and we believe that it would be a very successful visit.

Question : Will the two leaders take up the Baglihar Dam issue? Is India prepared to amend its projected claim on Baglihar Dam so that the question could be resolved through bilateralism?

Foreign Secretary: I do not wish to prejudge what the two leaders will be discussing. But, as far as the Baglihar Project is concerned, I think you should look at the repeated assurances given by the Indian side that it will

not do anything which is in violation of the letter and spirit of the Indus Water Treaty. We attach a great deal of value to this treaty which has stood the test of time for the last forty-five years. We have also explained that the apprehensions which Pakistan may have about this particular Project, if there are certain technical objections that it has, we are ready to discuss it bilaterally. After all, we have been saying that the last round of technical discussions which were held seem to take us in the direction of some convergence. It was our belief that if we continued the discussions we could have perhaps enlarged the area of convergence. But it is Pakistan which decided that it wanted to take this matter to the World Bank. We consider that premature. So, we are prepared to engage in another round of technical discussions, if Pakistan is willing to do so.

Question : Very broadly speaking, does India's changing relationship with China now have any bearing on your relationship with Pakistan?

Foreign Secretary: We believe that it is a win-win situation for all concerned. I think if there are good relations between India and China and there are good relations between China and Pakistan, I think it creates a positive ambience all around. It is something to be welcome by all of us.

Question Mr. Foreign Secretary, will there be a Joint Statement tomorrow? As there are expectations in making some concrete CBMs on Kashmir - like you had proposed when you went in December, about opening meeting points along the Line of Control, or a Jammu-Sialkot bus service? Would there be anything in the Joint Statement tomorrow?

Foreign Secretary: Again, as I said, I do not wish to prejudge what would be the outcome of this visit. And, I do not wish to prejudge what would be the content of the discussions which the two leaders will have. Depending upon what is the tenor of those discussions, what the two leaders decide upon in terms of acceptance of certain confidence building measures, how to take the relationship forward, naturally if there is a Joint Statement it will reflect those decisions.

Question President Musharraf has changed the nature of this visit in a way because he had shown his willingness to come and watch cricket, then chose the venue and finally, just before he comes here, he makes complete statements on political test matches rather than the actual cricket series

that is going on. Do you see him having scored a point by way of a calculated move?

Foreign Secretary: I do not think we are in the business of scoring points with each other. I think there is a certain distorted view of how this has come about. President Musharraf, when he was asked, "There are cricket matches taking place in India. Would you like to watch one of these cricket matches?" he said, "Yes, it would be nice if I could watch this cricket match." I think, as a friendly country, we lost no time in extending a friendly invitation to come to India and watch the cricket match. Now, where he should have watched the cricket match is a matter of detail. How does it matter whether the cricket match is watched in Bangalore or in Kochi or in Delhi? It just so happens that Delhi was the most convenient in terms of time scheduling, in terms of location for him to watch the one-day match. So, why read into it something that is not there. This is just a friendly gesture on our part to extend a friendly invitation to him. He is welcome anywhere, whether it is in Delhi or whether it is any other part of India. He is a honoured guest no matter where the visit takes place. So, I do not think that it is a question of his having determined the agenda, or having scored a point against us, no. We are very happy to receive President Musharraf not just to watch cricket, but if he would like to utilize this opportunity to engage in discussion with Prime Minister Dr. Manmohan Singh, we have welcomed that opportunity because we believe that such an opportunity can only advance the cause of India-Pakistan friendship.

Question : Between all this talk of camaraderie, is it not an embarrassment to India that its flag on President Musharraf's plane was turned upside down?

Foreign Secretary: I am sorry I do not even know what you are talking about but I think we should go by the substance of our relationships rather than certain mistakes which have been inadvertently made by one side or the other. I do not think that is important.

Question : ... (*Question in Hindi inaudible*)...

Foreign Secretary: *As far as the question of keeping in view the aspirations of the people of Kashmir, we have to say that we have the electoral process. Representatives of the people have been elected by the people. When we are talking about an Indian public opinion, the people of Jammu and Kashmir and their aspirations, their opinions are very much part and parcel of the*

Indian public opinion. So, we are talking to the representatives of the people of Jammu and Kashmir. We have also said, we are prepared to talk to all those others who may not have come through the electoral route but who are willing to abjure violence, wish to contribute to peace and stability in the State. We are willing to talk to them as well: they are also our people. So, that is the concept with which we are going into this relationship. Pakistani leaders come, they meet any Hurriyat leaders - Well, we are a democratic country, we have no problem with these kind of meetings.

Question : *Musharraf Saheb is repeatedly saying that in the CBMs are on the fast track but on Kashmir there is little movement. If we look at the position the two leaders took on Kashmir in New York, we find that there is hardly any forward movement. What have you to say about this. Of course on CBMs the movement is on the fast track.*

Foreign Secretary: *It is a wrong perception, if you are looking at the Jammu and Kashmir issue, which is such a complex issue, which is an issue which has been on the horizon for the past more than 57-58 years, then it stands to reason that in addressing such an issue you need to build up a degree of confidence and trust between the two sides. After all, if there has to be a mutually acceptable understanding on the issue of Jammu and Kashmir between the two countries, we have to take our people along with us. Pakistan has to take its people along with it: India has to take its people along with it. How do you do that? You can only do that by enlarging the constituency of peace between the two countries; by giving people a stake in that peace process. And this is what we are trying to do. What is confidence-building measure, or what is people-to-people contact, except with the objective of enlarging that constituency of peace. This is not to say that we are putting aside the issue of Jammu and Kashmir, no. We are willing to talk about Jammu and Kashmir. But it should be understood that it is only through this process of creating a larger constituency of peace, greater public opinion in favour of peace, that we can achieve success.*

In terms of whether *there has been forward movement or not* I think the record is there for everyone to see. So, even in terms of Jammu and Kashmir, what are we saying? We are saying, "Maybe it is difficult for us to change the lines which are drawn on the map. But as civilized countries, let us at least try and deal with, try to alleviate the negative human consequences of those lines drawn on the map." Not just the Line of Control

but even the border between India and Pakistan. Wherever the peoples of the two countries have come together, you have seen how much of affinity there is between them. There is a great groundswell of opinion in favour of peace both in India as well as in Pakistan. I think it is our responsibility to take this forward.

[Text in italics is unofficial translation from Hindi]



179. Speech by Prime Minister Dr. Manmohan Singh at the banquet in honour of President of Pakistan Pervez Musharraf.

New Delhi, April 16, 2005.

President Musharraf, Begum Musharraf, Ladies and Gentlemen,

It gives my wife and me great pleasure to welcome President Musharraf and Begum Musharraf to our table this evening. The people of India are with me as we extend our hospitality to you on your visit to our country. Mr. President, last month we had the pleasure of meeting your mother, brother and your handsome son. I believe your son was quite a hit with young people here! My wife and I went down memory lane with your mother and brother, talking of common friends and shared experiences.

We were impressed by the wisdom and wit of your most affectionate mother. She was so utterly charming that my wife said to her, "I envy your daughter-in-law. She is so lucky to have a mother-in-law like you!"

Mr. President, when we met in New York I said that while I was born in what is now Pakistan, and you were born here, both of us have come to occupy these high offices in our countries without lengthy careers in politics! Fate has placed on our shoulders the burden of a sacred responsibility that we are now required to bear. The people of both our Nations expect us to play our due role, with sincerity of purpose and a commitment to our shared future.

India, Pakistan and especially the people of Jammu and Kashmir have paid a heavy price in terms of peace and development because of the

persistent conflict of the past half century. The time has come to find an enduring solution to all the problems between the two countries. The people of our countries need a positive outcome and must not remain trapped in a zero-sum situation.

Mr. President,

South Asia has the potential to emerge as the most dynamic powerhouse of the world given its hugely talented human and abundant natural resources. There is no reason why the largest concentration of poor people in the world should be in South Asia. It is a challenge for all of us that the chronic poverty, ignorance and disease in our midst becomes a thing of the past in a reasonable period of time. Objective conditions point to South Asia emerging as a growth pole of the world economy. India and Pakistan, the two largest economies in the region, can give concrete shape to this vision and can find the pathway to a future of shared peace and prosperity.

A South Asia free of violence, poverty, disease and ignorance, in which there is a free movement of ideas, people, goods and services, needs to become a reality. The people of South Asia do not need further divisions, but greater unity. Clearly, a lasting peace between India and Pakistan is essential to ensure a stable and prosperous South Asia. The political leadership in both our countries has a solemn obligation to work in concert to realize this noble vision. History beckons us to rise to the challenge and grasp the opportunities to create boundless prosperity in our ancient land. If we fail to grasp these opportunities our people will not excuse us for the economy of vision and courage.

Mr. President, Ladies and Gentlemen,

We cannot rewrite the past, but we can build a more secure future. A future that generates people's trust and confidence in the political leadership in South Asia. We must find practical ways and means to resolve all outstanding issues between us in a reasonable, pragmatic manner, cognizant of the ground realities.

The composite dialogue between the two countries, covering all outstanding issues, is encouraging. The confidence-building measures introduced have generated widespread enthusiasm. The bus service

between Srinagar and Muzaffarabad has tapped a latent reservoir of public support for stronger people-to-people contact between the two countries, especially among those living on either side of the Line of Control. The peace process and the composite dialogue need to be carried forward with even greater determination. However, in order to take forward and sustain the dialogue process, acts of terrorism must be prevented and we must together fight the scourge of terrorism in our region.

Our people and our common destiny urge us to make an earnest attempt to find a lasting solution to all issues. In a globalising and increasingly integrated world, borders have lost meaning for much of the world. The journey of peace must be based on a step-by-step approach, but the road must be travelled. As an ancient saying goes, a road is made by walking.

Mr. President, let us travel together on this path, to realize our shared vision of what the future holds for all of us.



180. Media briefing by Foreign Secretary Shyam Saran on the visit of President of Pakistan Pervez Musharraf.

New Delhi, April 17, 2005.

Foreign Secretary (Shri Shyam Saran) : Good afternoon to all of you. Let me begin from what happened this morning.

As you know, President Musharraf and Prime Minister Dr. Manmohan Singh began the day today with the inauguration of the final One Day International¹ at Ferozeshah Kotla grounds. They were introduced to the two teams. Thereafter, for about an hour or so they watched the match. We then shifted to Hyderabad House where talks were held between the two sides. We began with talks at which some delegation members were present. From the Indian side, Minister of Defence Shri Pranab Mukherjeeji, our Railway Minister Shri Lalu Prasad Yadavji, our External Affairs Minister was also present. Our Minister for Commerce and Industry Shri Kamal Nathji was also there at the meeting. President Musharraf was accompanied by his Foreign Minister and other members of the delegation.

1. Final match of the cricket series between the cricket teams of the two countries.

During these talks, the Prime Minister and President Musharraf reviewed the progress that had been made in our relations so far. I must say that the very positive and forward-looking atmosphere, which was already evident both on the eve of the visit as also during the speeches which were made last evening at Prime Minister's dinner in honour of President Musharraf, that positive tone, was maintained throughout the talks.

Prime Minister welcomed the fact that during the past year and a half there had been a very significant change in the relationship between the two countries. There was a transformation in terms of the public mood in the two countries. He said that as Prime Minister of India he was prepared to travel the road towards lasting peace between the two countries. In reviewing the relationship, he went back to the Joint Statement, which was made on January 6, 2004, particularly the assurance contained therein that no part of the territory under the control of Pakistan would be used for any terrorist activity against India. He said that this assurance opened up new opportunities for improvement of relations between the two countries, and taking this relationship forward, and that is precisely what had happened.

He mentioned that it was the responsibility of our two countries to ensure that this positive movement in our relations, the positive ambience, which had been created in our relations, is not thwarted by the activities of terrorist elements. He welcomed the fact that the terrorist attack on the Srinagar - Muzaffarabad bus service was condemned by Pakistan. This was just the kind of activity which can mar the ongoing peace process between the two countries, and hence the great importance of our controlling this particular aspect, that is, the activities of terrorist groups.

While we have seen forward movement in our relations, Prime Minister also conveyed that he was aware that there are difficulties that need to be overcome. So, we do not minimize those difficulties. But he put across in his talks his own vision of what he looks at the future of South Asia. He said that if one goes to other parts of the world, we see countries coming together, the economic and commercial prospects of regions improving because they are cooperating with one another. He suggested that if in South Asia, India and Pakistan as the two largest countries, as the two largest economies, if they were to join hands together, brought their creative energies together - after all the peoples of the two countries are extremely talented, we have resources - it is possible for us to transform

the economic prospects of South Asian region as a whole so that it becomes also a dynamic pole in terms of economic prosperity of the Asian region and the world as a whole. He also conveyed that in his view this was eminently possible and this is the direction in which he would like to take the relationship between the two countries.

We were very happy to note that President Musharraf not only responded very positively to what Prime Minister had to say but shared his vision of the two countries focusing their energies on improving the livelihood of their peoples, of synergising their energies, so that there is common prosperity, shared prosperity between the two countries.

We also discussed, of course, the issue of Jammu and Kashmir. In this connection, the Prime Minister pointed out that while the redrawing of boundaries was not something that was possible, but anything that could bring the peoples on the two sides together – whether it is in terms of increased transportation linkages; greater traffic of peoples across the border and the Line of Control; cross-LoC, cross-border trade between the two countries; encouraging across-the-spectrum contact between people – would help the process along which would create the ambience so that at sometime in the future the more complex problems could be addressed successfully.

President Musharraf, while stressing the importance of addressing the Jammu and Kashmir issue, agreed that the confidence-building process between the two countries had made a lot of progress. This is a process which should be continued, should be intensified, and that while we need not impose any deadlines or timelines, the more important thing was that we should be addressing whatever outstanding differences there are between the two countries.

There were a number of specific issues that were touched upon during these talks. For example, some of the proposals that have been put forward like the link between Khokhrapar and Munabao across Rajasthan and Sindh. As you know, we had made a pledge in Parliament that from our side this link would be ready to be operationalised by October 2 this year. President Musharraf mentioned that perhaps that deadline may not be feasible but he would ensure that this link became operational by December 2005.

On the economic side it was agreed that the Joint Commission that

had already existed between India and Pakistan - and which I think has not met since the late 80s, since 1989 - should be revived. It was agreed that it should meet at an early date. So, this would provide an umbrella within which a number of economic and trade related issues that the two countries have been talking about, we can take them forward in a much more focused manner.

As you know, we also have Joint Business Council that is between the private sectors of the two countries. It was agreed that the work of this Business Council should be further intensified.

As I mentioned to you, Commerce and Industry Minister was there. He referred to the establishment of the Joint Study Group at the Commerce Secretary level between the two countries, which had already held its first meeting in February this year. This could be a mechanism to discuss promotion of trade between the two countries.

Reference was made to some of the obstacles, which may be there to take the trading relationship forward. For example, the apprehension that the business community in Pakistan has about some non-tariff barriers or high tariff barriers that India imposes. We have said that, in fact, there are very few barriers that are there for this trade and we are prepared to sit down together with Pakistan and if there are any such barriers we are prepared to remove them.

In the context of developing our economic and commercial relations, the two leaders also discussed the important of transport linkages, infrastructure. In that connection, the possibility of opening more routes for trade between the two countries was discussed. This is something, which will require more detailed discussion in the future. But, again I would like to stress here that the approach on both sides were very positive, was very forward-looking, a willingness to look at all these particular aspects of taking our relationship forward.

During the meeting we also conveyed to the Pakistan President that 156 Pakistani fishermen are to be released on the 19th of April. There are another 136 civilian prisoners who will be also released as soon as their travel documents have been received from the Pakistani side. The two leaders also agreed that as a humanitarian measure, if there are people

who innocently stray across the border or the LoC, then we should in fact hand them over without too much ceremony on either side.

In the context again of developing our trade and economic relationship, Prime Minister also stressed the great benefits, which could accrue both to India and Pakistan, if we were able to open the traditional transit routes through each other's countries. He mentioned the fact that transit routes, for example, to Central Asia, to the Gulf, if normal flow of trade could be possible through these routes this would bring benefit not only to India and Pakistan but to the region of South Asia as well as to Central Asia and the Gulf. This was something that leaders of India and Pakistan should be looking at.

In this context the pipeline was also mentioned. It was agreed that this was a worthwhile project to pursue. In this context it was agreed that we would remain untouched with one another and engage in further discussions in order to realize this project.

I would also like to mention here that at the end of the talks, Prime Minister presented to President Musharraf a fine painting of the haveli (house) in Delhi where President Musharraf was born and was brought up for the first few years of his life. This was accepted with great delight and pleasure by the Pakistani President.

I will stop here and I will be open to questions from your side.

Question : ...(*Question in Hindi inaudible*)...

Foreign Secretary: *The CBMs on Kashmir, and whatever other CBMs are, both sides have assured, there is nothing which we are not prepared to consider. The details of those will have to be worked out. Whatever our reactions and whatever their reactions we have received, there is a readiness to positively look at all of them. The approach has been very forward-looking and also very positive.*

Question : Did President Musharraf come out with any fresh proposals on Kashmir? Prime Minister also suggested some new ideas. Did he talk about any fresh proposals?

Foreign Secretary: I am not aware of any specific proposals, which have been made by either side in this regard apart from saying that this is a

problem, which needs to be dealt with. As I mentioned to you, I gave you the viewpoints which were expressed by both President Musharraf as well as by Prime Minister Dr. Manmohan Singh, that there is a readiness to take this dialogue forward, to continue building up confidence and trust between the two sides, remain engaged. The process is important, let us see where it takes us.

Question : After Ms. Condoleezza Rice's visit, this is the first formal meeting that has taken place between India and Pakistan. Was Iran pipeline discussed in this context?

Foreign Secretary : *I have said that there was discussion about the pipeline, and it was agreed that this project is beneficial to both the countries and it should be discussed.*

Question : Can you elaborate on this?

Foreign Secretary: Well, President Musharraf mentioned that the requirements of energy of Pakistan as well as India are such that pipeline from Turkmenistan through Afghanistan, Pakistan, India or from Iran, Pakistan, India and perhaps other possible pipelines as part and parcel of the economic development of both India and Pakistan as of the region, this is something that we ought to be thinking about, we ought to be discussing how to cooperate with each other. So, it was a broad discussion. At this level you do not go into negotiating details of these projects. But, overall as I mentioned to you, it was agreed that these are projects which are worthwhile pursuing and that we should remain engaged concerning them.

Question What was General Musharraf's response on opening of transit routes?

Foreign Secretary: There was no specific answer to each and every one of these propositions. What I would like to convey to you is a sense that there was a very broad-based discussion of the importance of developing economic and commercial relations between the two countries, both bilaterally as well as part and parcel of a larger regional economic development. It is in this context that Prime Minister mentioned the importance of opening more routes across our borders, across the LoC, because transportation linkages are integral to any plan for development of economic and commercial linkages. So, in that context several of these

plans were discussed – pipelines, road linkages, rail linkages. As I said, the point was made from our side that in the context of this broad economic and commercial development, naturally the easier it is to take goods from one place to another the benefit will be greater.

Question : *Was there some discussion about the Hurriyat Conference?*

Foreign Secretary: *As far as I know it was not discussed.*

Question : Did you discuss the issue of withdrawal of troops from Siachen?

Foreign Secretary: What was discussed was the need to look at issues such as Siachen, Sir Creek, and see whether or not we can expedite, we can instruct the officials who are already engaged in discussions on these issues, that with a certain greater degree of urgency, with a certain greater sense of priority can we try and resolve these issues as early as possible. As you know, we are in the midst of the second round of our Composite Dialogue in which both Siachen as well as Sir Creek, apart from some of the other issues, are going to be taken up. We will make every effort possible in line with the directions given by the two leaders that we should try and find an early solution to these issues.

Question : You talked about a large number of points of convergence between the two sides. But what about the points of divergence? What did he say on Kashmir? What about Baglihar? What did he say when we raised the issue of terrorism?

Foreign Secretary: On the issue of terrorism for example, I think what came out clearly from President Musharraf was that a point of convergence is already apparent from the fact that when the attack against Srinagar-Muzaffarabad bus service took place Pakistan came out with an unequivocal condemnation of this act. At least, there is a sense that terrorism is something which can impact very adversely on this ongoing peace process, on this process which is bringing the people together and, therefore, there is a responsibility that we both have to try and make sure that terrorist elements do not derail this process.

As far as Baglihar is concerned, yes, there was a discussion about that. I think we have already discussed this before that there are certain apprehensions which Pakistan has. We have stated unequivocally, and this was repeated by Prime Minister, that we are committed to remaining entirely

within the parameters which are laid down by the Indus Water Treaty. This Treaty is important to us. I think I mentioned yesterday also that this Treaty is important to us. For 45 years it has held. We certainly do not have any intention at all of harming the interests of Pakistan. Therefore, if there is a readiness to engage in further technical discussions on this issue to try and resolve it, we are prepared to do that.

On Kashmir, I think right at the beginning when I was making opening statement I mentioned to you the exchange which took place between Prime Minister and President. There is a recognition that yes, this is an issue which needs to be tackled between the two countries. But it is a complicated issue. It may take time to resolve. But in the meantime, as civilized countries we should try and make every effort possible to deal with whatever negative consequences there are of the existence of the Line of Control. I think there is a willingness on both sides in line with this approach, there is a willingness on both sides precisely to make life much easier for people residing on both sides.

Question : On the specifics of LoC confidence-building measures, is there going to be any Joint Statement in which specifics are going to be mentioned? The Prime Minister had also spoken about joint responsibility for this bus passengers. Would there be anything on that? And anything on increasing the frequency of the bus service?

Foreign Secretary: I think the Joint Statement is currently being worked because the talks, as you know, have only ended a short while ago. So, there will be, in the Joint Statement, a reflection of some of the things that were discussed. Let us see how specific the references are. But, I think, some of the points that I have mentioned would be covered in the Joint Statement.

Question : On what PM spoke about the joint responsibility of the safety of bus passengers?

Foreign Secretary: I am just trying to give you a general sense of what was discussed. That was a sharing of belief that, yes, the present positive trend in our relationship, the peace process between the two countries, the many positive things which are happening between the two countries, could be adversely impacted by the activities of terrorist elements. If this is

something which is a shared perception on both sides, I think it is very clear that both sides will do everything possible, hopefully, to prevent that from happening.

Question : Was the issue of joint patrolling of the LoC discussed at all? On the terrorism issue, do you perceive a mind shift? In the last few days the Defence Minister has gone on record saying that the infiltration is still present. You say that General Pervez talked about the terrorism issue. You mentioned the statement which had come out of Pakistan condemning the terrorist attack on the Muzaffarabad-Srinagar bus service. Do you think there is a mind shift on the part of Pakistan on this issue?

Foreign Secretary: I think we must go by what the facts are. What I am referring to is a statement which was made by President Musharraf condemning the terrorist incident which took place. In the talks between the two leaders there is a recognition that many positive things are happening in our relations; there is a greater degree of confidence, greater degree of, if not complete mutual trust, at least we are moving in that direction; and there is sense that incidence of terrorism can negatively impact on them. So, in that sense, I think there also, therefore, an acknowledgement that both sides will do whatever is necessary in order not to let this happen. Now, let us wait and see how things work out. Certainly, I do not think there were any discussions about joint patrolling of the LoC or measures like that.

Question : You were saying that Pakistan will not allow their territories to be used against terrorist activities against India. Do we see a shift in the Pakistan's stand there? Also, might we be in a position that India and Pakistan fight the same group of Kashmiri separatists who are making base in Pakistan and launching attacks in Jammu and Kashmir?

Foreign Secretary: That would be something that would be welcome.

Question : The National Security Advisor has said three days ago in an interview that there is a possibility of withdrawing troops from Kashmir in this summer after checking out when the snow melts for the passage of people. Is there something that is likely to happen?

Foreign Secretary: The National Security Advisor has made a certain comment which has been reported. Let us go by that.

Question : On Baglihar, you said yesterday that we abide by the terms and conditions of the Indus Waters Treaty and it was our belief that it should be resolved bilaterally. Was this proposal made to the visiting President Musharraf? What was his response?

Foreign Secretary: As I mentioned to you, Prime Minister conveyed to President Musharraf that India has every intention to abide by the letter and spirit of the Indus Water Treaty and Pakistan should have no apprehensions whatsoever that this particular project will be used in any manner which is going to impact negatively on the interests of Pakistan.

Question : What was President Musharraf's response?

Foreign Secretary: He was very thankful for this assurance which was conveyed by Prime Minister Dr. Manmohan Singh. As I said, the way is open for our re-engaging in technical level discussions. But, I would like to mention here that this was not a negotiating session where they were working out how are we going to do this, when are we going to have the meeting, what is the calendar of meetings. That is not their job. I think there was a broad discussion of a number of issues in India-Pakistan relations. In those discussions the mood was, the approach was positive and forward looking.

Question : For a long time mention has been made on trade-related issues. The issue of denial of most-favoured nation status to us. Did this issue come up?

Foreign Secretary: It came up in the sense of the Pakistani apprehension that there are both tariff barriers as well as non-tariff barriers which come in the way of promotion of Pakistani exports to India. There is the apprehension that Pakistan's industry may be adversely impacted if there was an opening out to Indian exports without any restraint. It is in this context that it was agreed that we should, if there are apprehensions on the Pakistani side, we are willing to look at them and try and remove those apprehensions. If they say that this is a non-tariff barrier we are willing to look at it. If it is really true, then we should remove those non-tariff barriers. But it was also agreed that it is in the interest of both India and Pakistan to promote their economic and trade relations. It is because of this sentiment that we agreed to revive the Joint Commission because Joint Commission has not met since 1989. So, obviously there is a sense now, yes, it is worth the while reviving the Joint

Commission which can then look into the trade relationship between the two countries, the economic relationship between the two countries, and hopefully take it forward. So, there is a change in the way we are looking at some of these issues.

Question : The Joint Statement that following the Chinese Premier's visit characterized that visit as 'highly successful'. How do you characterize the ongoing visit?

Foreign Secretary: We believe it is a very successful visit too.

Question : Is it highly successful?

Foreign Secretary: Why should we look for comparable adjectives? This is a visit which stands on its own. High successful? Yes, it is highly successful. Very successful? Yes, it is very successful. I think what is more important is the substance of the visit. I think I have spelt out to you where it marks a change from the past. I think not so much in terms of specifics that have been discussed between the two leaders but the approach of the two leaders. The approach was forward-looking. Yes, we have problems. Yes, these are problems which cannot be minimized. We will need to give them very concentrated, intensive attention. But, at the same time, there is a willingness to look forward, to take the relationship forward; a sense that we have come a long way in the last one and a half years; and that what we have achieved so far is something that both sides would like to preserve and to take forward. It is in this context that the issue of terrorism was brought up. That itself is important because if you want to take the relationship forward, and if we really want to preserve what we have achieved so far, this has to be addressed. There is no getting away from it.

Question : *There was an attack on the Muzaffarabad – Srinagar bus. Did Pakistan condemn it? Pakistan had condemned the 13th December attack; the Indian side would certainly have liked to know why all this was happening?*

Foreign Secretary: *Not in detail, how it happened, who did it, would there be investigation, no investigations etc.* I think you need to understand that this is two leaders meeting and having a rather broad discussion in the limited time that is available to them. I mentioned to you that in terms of the issue of terrorism President Musharraf did say - I think he has said this

publicly not only in the talks - that the fact that Pakistan condemned this incident brought in fact the two countries closer together. This is what he projected. So, he saw this as taking us towards a certain degree of convergence on this issue that we are both committed to ensuring the success of the bus service; we are both committed to increasing the frequency of the bus service; this is worth doing; and, therefore, both sides need to make sure that the kind of incidents that took place do not take place.

(The text in italics is unofficial translation from Hindi text.)



181. Joint statement issued at the end of talks between Prime Minister Dr. Manmohan Singh and President of Pakistan Pervez Musharraf.

New Delhi, April 18, 2005.

1. The President of Pakistan, His Excellency General Pervez Musharraf and Begum Sehba Musharraf visited New Delhi as guests of the Prime Minister of India and Shrimati Gursharan Kaur on 16 to 18 April 2005.
2. While in New Delhi, the President of Pakistan called on the President of India. He also had a meeting with the Prime Minister of India, who hosted a dinner in his honour. The President also watched the last one-day international cricket match between India and Pakistan.
3. The President of Pakistan and the Prime Minister of India used the opportunity provided by the visit to review progress in Pakistan-India relations. They assessed positively the progress that had been made so far through confidence building, people-to-people contacts and enhancing areas of interactions and determined to build on the momentum already achieved.
4. They reaffirmed the commitments made in the Joint Press Statement of January 6, 2004 and the Joint Statement issued after their meeting in New York on September 24, 2004 and expressed satisfaction on the progress in the peace process and the improvement of relations between the two countries that has since been realized.

5. Conscious of the historic opportunity created by the improved environment in relations and the overwhelming desire of the peoples of the two countries for durable peace and recognizing their responsibility to continue to move forward towards that objective, the two leaders had substantive talks on all issues. They determined that the peace process was now irreversible.
6. In this spirit the two leaders addressed the issue of Jammu and Kashmir and agreed to continue these discussions in a sincere and purposeful and forward-looking manner for a final settlement. They were satisfied with the discussions and expressed their determination to work together to carry forward the process and to bring the benefit of peace to their people.
7. They also agreed to pursue further measures to enhance interaction and cooperation across the LoC including agreed meeting points for divided families, trade, pilgrimages and cultural interaction.
8. They condemned attempts to disrupt the Srinagar - Muzaffarabad bus service and welcomed its successful operationalisation. The two leaders pledged that they would not allow terrorism to impede the peace process.
9. They decided to increase the frequency of the bus service and also decided that trucks would be allowed to use this route to promote trade. They also agreed to operationalise additional routes including that between Poonch and Rawalakot. They also look forward to early start of the bus service between Amritsar and Lahore and to religious places such as Nankana Sahib.
10. They agreed to re-establish the Khokhrapar - Munnabao route by 1st January 2006.
11. They agreed that the Consulates General of the two countries in Mumbai and Karachi respectively would be opened before the end of the current year.
12. They endorsed the decisions taken in the meeting of Foreign Secretaries of the two countries on 27-28 December 2004, and the Foreign Minister on 15-17 February 2005, on the schedule of meetings later in the year, the agreements to be worked upon through these meetings and the measures to be taken to alleviate the situation of prisoners.

13. On the issues of Sir Creek and Siachen, they instructed that the existing institutional mechanisms should convene discussions immediately with a view to finding mutually acceptable solutions to both issues expeditiously.

14. It was agreed that the Ministers of Petroleum and Natural Gas would meet in May to explore cooperation in the sector including on the issue of pipelines.

15. Both leaders agreed that enhanced economic and commercial cooperation would contribute to the well-being of the peoples of the two countries and bring a higher level of prosperity for the region. The two leading economies of South Asia should work together for the greater prosperity of the region.

16. The leaders decided to reactivate the Joint Economic Commission¹ as early as possible. They also agreed that the Joint Business Council should meet soon.

17. The President of Pakistan conveyed his gratitude for the hospitality provided during the visit and invited the Prime Minister to visit Pakistan. The invitation was accepted in principle. Mutually agreed dates would be worked out through diplomatic channels².



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1. It may be mentioned that on the sidelines of the summit between the two leaders, the Commerce Ministers of India and Pakistan also met on April 17 and decided to set up a Joint Business Council "to facilitate interaction amongst business and to strengthen economic ties and promote trade". The Indian Commerce Minister told the media that it was agreed between Prime Minister Manmohan Singh and President Musharraf that all hindrances must be removed and non-tariff barriers dismantled as soon as possible to have a meaningful "open door" policy on trade between the two countries.
 2. The Joint Statement evoked all-round welcome from across the political spectrum with the Congress Party lauding the Government for having the confidence to "push through the confidence building measures and bring about a paradigm shift in relations between the two countries". The Congress Spokesperson Anand Sharma said that the Congress Party had consistently maintained that dialogue should continue irrespective of any situation that might prevail in either country. "We said so at a time when bilateral relations had hit a low and there was a snapping of people-to-people contact," said Anand Sharma. The Joint Statement, he said was unequivocal in stating that the peace process was irreversible and shall not be held hostage to any act of terrorism or weakened by it. The Bharatiya Janata Party (BJP) felt happy that a process initiated by its government had borne fruits. The Left parties said the meeting reflected the strong desire by both countries to move forward in their efforts to normalize relations. The Communist Party of India (Marxist) general secretary Prakash Karat said his party welcomed the outcome of the talks and wanted the India – Pakistan

182. Statement by Prime Minister Dr. Manmohan Singh in the Lok Sabha on the visit of President of Pakistan Pervez Musharraf¹.

New Delhi, April 20, 2005.

The President of Pakistan, General Pervez Musharraf visited India from April 16-18, 2005. I had invited him to the cricket match in New Delhi and we used the opportunity of his presence here to hold substantive discussions on a wide range of bilateral issues. We also issued a Joint Statement, which takes stock of our relations and outlines the ideas and activities agreed upon between us to move our bilateral relationship forward. A copy of the Joint Statement is placed on the Table of the House.

During our talks, President Musharraf and I reviewed the progress made in our bilateral relations. We assessed positively the progress that had been made through confidence building measures, people-to-people contacts and enhancing areas of interactions and expressed our determination to build on the momentum already achieved. I also conveyed to President Musharraf the great importance we attach to enhanced bilateral economic and commercial cooperation. I underlined the need to multiply beneficial linkages of trade and transit, including the gas pipeline. We agreed that greater cooperation between the two largest economies of South Asia would not only contribute to the well being of the peoples of the two countries but also bring a higher level of prosperity for the entire region.

We agreed on several forward looking measures to increase interaction between the countries, among them being the restoration of the rail link between Khokhrapar and Munnabao. Each of these are reflected in the Joint Statement.

Earlier this month, we started the Srinagar - Muzaffarabad bus service despite terrorist threats and a dastardly suicide attack on the Srinagar

dialogue process to be carried forward. Describing the talks as "positive development", the Communist Party of India Secretary D. Raja said it was good that the leaders of both the countries realized that the peace process was irreversible and the only way to solve problems was through strengthening the CBMs, diversified people-to-people contacts and economic cooperation. "The CPI hopes both countries will carry forward the peace process through dialogue as no military conflict will be able to resolve the problematic issues," said D. Raja cautioning India and Pakistan of U.S maneuvers to drag the two nations into an arms race with each other.

1. Please also see Document No. 12.

Tourist Reception Centre. The courage and determination of our peoples and the condemnation by our Governments as contained in the Joint Statement, of attempts to disrupt this important initiative, give us confidence for its continued and successful operation with even greater frequency in the future. I am convinced the bus service has tapped a latent reservoir of public support for greater people to people contact, especially among people living on either side of the Line of Control.

The issue of Jammu and Kashmir was also discussed in a positive atmosphere. I emphasized that while the redrawing of boundaries was not possible, all measures that could bring the peoples on both sides together, including increased transportation linkages to facilitate greater traffic of people and trade across the border and the Line of Control, would help the process and create an atmosphere of mutual trust and confidence. President Musharraf and I agreed to continue our discussions in a sincere, purposeful and forward-looking manner. We have agreed to work together to carry forward the process and to bring the benefit of peace to people of our two countries, and in particular, the people of Jammu and Kashmir.

President Musharraf stressed the importance of addressing the Jammu and Kashmir issue. However, he also agreed that the confidence building process between the two countries had made significant progress. We both felt that this process would contribute to promoting a general sense of trust and understanding in our two countries, which in turn, would be conducive to creating the environment for a just, fair and mutually acceptable solution to all outstanding issues. Consequently, we agreed to pursue further measures to enhance interaction and cooperation across the LoC including agreed meeting points for divided families, trade, pilgrimages and cultural interaction.

The Joint Statement specifically re-affirmed the commitments made in the Joint Press Statement of January 6, 2004, and the Joint Statement issued after the meeting of the Indian Prime Minister and the Pakistani President in New York on September 24, 2004. This re-affirmation addressed our concerns relating to terrorism from across the border. The Joint Statement also contained a pledge that terrorism would not be allowed to impede the peace process. It also underlines the importance of the peace process and the degree of improvement in relations between the two countries.

While I am satisfied with the progress achieved in our talks during

the visit, we should remain conscious of the difficulties ahead. The difficult issues that divide us have bedeviled relations between India and Pakistan for far too long to hope for an immediate resolution. The threat to the peace process from extremist forces and terrorist organizations has not been eliminated. Therefore, I mentioned to President Musharraf that the whole process of serious and sustained dialogue hinges on building atmosphere of trust and confidence, free from violence and terror. We look forward to Pakistan implementing their assurances in letter and spirit.

As Hon'ble Members are aware, the past year has been quite a remarkable one for our relations with Pakistan. The two countries successfully concluded one round of the Composite Dialogue and have already commenced the next round. Diplomatic and other links have been normalized and restored to the pre-December 13, 2001 level. People-to-people exchanges are taking place across the spectrum in overwhelming numbers. The ceasefire being observed along the international border, the Line of Control and the Actual Ground Position Line in Siachen has, with the exception of a few stray incidents, held since November 2003.

India is committed to peace and friendship with Pakistan. We sincerely seek a cooperative and constructive relationship with Pakistan. I was heartened to see that this desire is reciprocated by the Pakistan side, and that there is considerable popular support for an improved relationship in both countries. To create such a durable cooperative and constructive relationship, we need to invest in the ongoing process of engagement and confidence building and ensure that recent positive trends are sustained. We have chalked out a detailed schedule and agenda for the round of the composite dialogue that has commenced. We believe that persistent and purposeful engagement will show us the way to peace and enable us to fulfill the promise of friendship and cooperation that we have made to our people¹.”



1. On way to Jakarta to participate in the Bandung Golden Jubilee conference, Prime Minister told the journalists (April 22) accompanying him on board the special aircraft that if the process of allowing increased interaction between the people of Jammu and Kashmir was to continue, it would “create a climate conducive to the final settlement” of the “territorial dispute” in the divided state. He said the visit of President Musharraf and also of the Chinese Premier Wen Jiabao had yielded “solid results”. Asked for his opinion on Gen. Musharraf’s call for soft borders in J & K, Dr. Singh said he himself had been saying that India and Pakistan have to look at the Kashmir problem in a “different perspective”. He said: “Territorial disputes are never easy to resolve overnight. They take time. But there is a lot we can do

183. Question in the Rajya Sabha: “Normalization of Relations with Pakistan”.

New Delhi, April 21, 2005.

Will the Minister of External Affairs be pleased to state:

- (a) whether there is significant development in respect of border crimes, infiltration, attacks by terrorists and the number of people undertaking official journey between India and Pakistan in the proportion of normalization of relations;
- (b) the remarkable signs of improvements in socio-cultural fields; and
- (c) whether the so-called Kashmir problem has become a barrier in this process of normalization?

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

(a) and (b) Significant developments have taken place in India-Pakistan relations since April 2003. Relations have been restored at the level of High Commissioners; transport and communication links have resumed; one round of Composite Dialogue has been completed; a series of technical level and Composite Dialogue related meetings have been held on schedule. Another round has been initiated with the Foreign Secretary level talks in December 2004.

People to people exchanges are taking place across the spectrum in large numbers. There has been a resumption of visits by pilgrim groups. Our High Commission is issuing close to 10,000 visas per month.

The bilateral process has been given impetus through maintenance

together, focusing on the interests of the people, creating an environment where the people of Jammu and Kashmir on both sides of the line of Control can lead a life of dignity and self-respect. And we can create an environment of freer trade, freer movement.” He said “I really believe that if this process is allowed to go forward, it will create a climate conducive to the final settlement. But I really do not know today, it is a process, I cannot lay down a timetable – where will it lead us, when will it – but I am convinced that this is a way of looking at the problem which creates a situation where there are no losers or winners. The only gainers are the people of J & K and the prospects of reconciliation between the people of India and the people of Pakistan.” He added for good measure that “improvement in Pakistan – India relations is uppermost in my mind, and I am glad that this desire has been reciprocated by President Musharraf.” He added that it was his “sincere desire to work with the President of Pakistan to carry forward this process in the months that lie ahead.”

of high level contacts. The meeting between Prime Minister Dr. Manmohan Singh and President Musharraf in New York in September 2004 was followed by the visit of Prime Minister Shaukat Aziz to New Delhi on November 23-24, 2004. February 2005 saw a bilateral visit by an Indian EAM to Pakistan after a gap of almost 16 years. President Musharraf visited India from April 16-18, 2005 to witness the India-Pakistan cricket match.

During the External Affairs Minister, Shri K. Natwar Singh's visit from 15-17 February, 2005, agreements were reached to start bus services between Srinagar and Muzaffarabad, and between Lahore and Amritsar, including to religious places such as Nankana Sahib. Pakistan also agreed to work towards early restoration of the Khokrapar-Munabao rail link. The Srinagar Muzaffarabad bus has already been operationalized from April 7, 2005.

The ceasefire, being observed along the International Border, the LOC, and the AGPL in Siachen, with the exception of two incidents, has held for more than a year.

India has agreed to discuss the proposal of a pipeline through Pakistan, subject to satisfaction of our concerns on security and adequate supplies.

Agreements would be concluded in the coming months on Pre-notification of Missile Tests, and between Coast Guards and Pakistan's Maritime Security Agency, as well as between the narcotics control authorities of the two countries. Discussions would begin on Agreements on Preventing Incidents at Sea, and Reducing the Risk of Nuclear Accident or Unauthorised use of Nuclear Weapons.

Progress has been made in meetings on conventional and nuclear CBMs, and a Joint Survey of the boundary pillars in the International Boundary in the Sir Creek has also been successfully concluded in January 2005.

Significant progress has been achieved on the humanitarian issue of fishermen and civilian detainees. During the Foreign Secretary level talks in December 2004, it was inter-alia agreed that:

- Immediate notification would be provided to the respective High Commissions through the Foreign Ministries of arrested Pakistani/

Indian nationals;

- Consular access would be provided within three months of apprehension;
- Repatriation would be done immediately after completion of sentence and nationality verification;
- A mechanism would be introduced for early repatriation, without sentencing of inadvertent crossers;

A similar mechanism would be established for early release, without sentencing of those under 16 apprehended by either side.

Since then, Pakistan has released 266 Indian fishermen in January 2005; it has released additional 528 Indian fishermen and 36 civilian prisoners in March 2005. India has provided consular access to 113 civilian prisoners in 2005 and 22 civilian prisoners are slated to be released in April 2005. We are currently releasing 156 out of 194 Pakistani fishermen in our custody.

Thus meaningful progress has been achieved in the process of normalization of India-Pakistan relations.

(c) Government are committed to continuing the process of building confidence, enhancing cooperation and dialogue in an atmosphere free from terrorism and violence, and to discuss any outstanding bilateral issue with Pakistan, including Jammu and Kashmir.



184. Response of the Official Spokesperson to a question on Baglihar Project.**New Delhi, April 29, 2005.****In response to a question on Baglihar Project the Official Spokesperson said:**

"We have been informed by the World Bank that on the basis of Pakistan's representation, it has, as required under the terms of the Indus Waters Treaty, proposed the appointment of a neutral expert to examine certain issues raised by Pakistan on the design of the Baglihar project. We have consistently declared that India intends to remain in strict conformity with the provisions of the Treaty and, therefore, intends to cooperate fully with the World Bank in the selection of a neutral expert. It may be recalled that India had conveyed to Pakistan its readiness to consider any design changes or technical modifications, in conformity with the Treaty, in case Pakistan was able to provide quantified technical objections in this regard. This was conveyed to Pakistan as recently as during the visit of President Musharraf to Delhi earlier this month. Since Pakistan has chosen to invoke the role of the World Bank, as provided for in the Treaty, India will have no hesitation in making available whatever technical details the neutral expert may require, within the parameters clearly laid down in the Treaty. The Government of India attaches considerable importance to the Baglihar project, which will bring significant economic benefits to the people of Jammu and Kashmir. India will, however, observe all its solemn commitments to the Indus Waters Treaty, which has, for the past 45 years, stood the test of time".



185. Joint statement on Technical level talks on the establishment of communication link between Pakistan Maritime Security Agency (PMSA) and Indian Coast Guard (ICG).

Rawalpindi, May 11, 2005.

The technical level talks on the establishment of a communication link between Pakistan Maritime Security Agency (PMSA) and Indian Coast Guard (ICG) concluded today after two days of negotiations between the two sides. The dialogue was held in a very cordial and friendly atmosphere. The Indian delegation was led by DG, ICG, Vice Admiral Arun Kumar Singh while Rear Admiral Bakhtiar Mohsin, Director General, PMSA headed Pakistan side. The step is a part of the ongoing CBMs between Pakistan and India.

All outstanding issues in the Memorandum or Understanding (MoU) on the Establishment of Communication Link have been resolved leading to a consensus document. The MoU will be signed after endorsement by the respective governments.

The communication link will provide a formal mechanism for exchange of information regarding EEZ violations, search and rescue operations, control of pollution, natural disasters and calamities, smuggling and drug trafficking etc.



186. Joint statement issued at the end of India - Pakistan technical level talks for operationalization of Lahore-Amritsar bus service.

Islamabad, May 11, 2005.

The first round of the Pakistan-India technical level talks for operationalization of the Lahore-Amritsar bus service was held in Islamabad on 10-11 May 2005. The Pakistan delegation was led by. Mohammad Abbas, Additional Secretary, Ministry of Communications and the Indian delegation was led by Mr. Alok Rawat, Joint Secretary, Department of Road Transport and Highways. The Indian delegation also called on Minister for Communications H.E. Mr. Muhammad Shamim Siddiqui.

2. The two sides discussed the modalities for operationalization of the Lahore-Amritsar bus service including the designated route, bus terminals, facilities for the bus crew, modalities of visa arrangements and a Protocol/MOU for the Lahore - Amritsar bus service. The next meeting for the technical level talks would be held in New Delhi in two months time.

3. It was agreed in principle to start Amritsar - Nankana Sahib Bus Service. It was decided that its modalities and frequency would be discussed in a subsequent technical level meeting to be held in New Delhi in two months time.

4. The meeting was held in a friendly and cordial atmosphere.



187. Joint press release issued on talks between the Defence Secretaries of India and Pakistan on Siachen.**Islamabad, May 27, 2005.**

The Defence Secretaries level talks between Pakistan and India to discuss Siachen¹ Issue under the Composite Dialogue Framework were held in Islamabad on 26-27 May 2005. The Pakistan delegation was led by Defence Secretary Lt. Gen Tariq Waseem Ghazi (Retd.). The Indian delegation was headed by Defence Secretary Ajai Vikram Singh.

The two sides held frank and constructive discussions with a view to taking the process forward. They expressed satisfaction at the ceasefire currently in place since November 2003 and agreed to its continuation.

It was agreed by the two Defence Secretaries to continue with their discussions to resolve the Siachen Issue in a peaceful manner.

The Defence Secretary of India called on the Senior Minister for Defence Rao Sikandar Iqbal and Foreign Secretary Mr. Riaz Muhammad Khan.



1. A day earlier on May 26 the Army Chief, General J.J. Singh said that India "wants that the 110 k.m long actual ground position line on the Siachen glacier should be authenticated by Pakistan." Stating the Indian position, General Singh said that the country's interests "will be served only when the AGPL is authenticated". He said the country's basic position was that the present AGPL between NJ 9842 to upper Saltoro ridge should be authenticated as "it will safeguard the country's interests in the future". The army chief added that the Army had given the plans and feedback to the government on the issue. The official sources reiterated this position on the eve of External Affairs Minister's visit to Islamabad in October. It was stated that redeployment of Indian and Pakistani troops in the Siachen would be possible provided the two sides agreed on the current actual ground position. It was further stated that the two countries would have to arrive at an understanding on what would be done with the area where the troops were currently deployed. Media quoted official sources to say that India favoured plotting the further course of the Line of Control which stops at Point NJ9842. President Musharraf during his visit to New Delhi in April had agreed that there should be some form of verification of the actual ground positions in Siachen.

188. Joint press statement issued at the end of India – Pakistan talks on the Sir Creek issue.

Rawalpindi, May 29, 2005.

Pakistan-India talks on the Sir Creek issue under the Composite Dialogue Framework were held in Rawalpindi on 28-29 May 2005 to discuss the demarcation of International boundary between the two countries in the Sir Creek area¹.

2. The Pak delegation was led by Rear Admiral Ahsan-ul-Haq Chaudhri, Additional Secretary, Ministry of Defence and Indian delegation was led by Maj. Gen. M. Gopal Rao, Additional Surveyor General of India.

3. The talks were held in a frank and cordial atmosphere. The two sides exchanged views on various issues involved.

1. It may be recalled that India and Pakistan during their talks in December last year decided on a joint survey of the Sir Creek area, which was undertaken in the month of January. On January 17 a Spokesman of the Pakistan Foreign Office announced in Islamabad that "the two teams cooperated with each other and completed the task successfully and expeditiously." The two sides had deployed eight teams each for the survey of the horizontal segment of the Creek a 60-mile long strip of water, which runs along Rann of Kutch in India and Sindh in Pakistan and is at the centre of a 22-year old dispute between the two countries. According to official sources quoted by the media India asked Pakistan to accept the land delineation on the basis of the joint survey but Pakistan did not agree as it said that Pakistan had not yet analyzed the technical aspects of the survey. Pakistan also insisted that demarcation of the land and maritime boundary at Sir Creek needed to be addressed as one package. [This is the eighth round of talks on the subject and the second under the current round of the composite dialogue process. The issue dates back to 1914, when an agreement was signed between the then Government of Sindh and Rao Maharaj of Kutch.] Meanwhile the Navy Chief Admiral Arun Prakash was quoted by the Times of India (June 9) to say: "The boundary in Sir Creek should be demarcated as soon as possible to preclude any third party from jumping into the fray...But it's only when our maritime boundaries are defined that India and Pakistan will be able to stake their claims for the additional Exclusive Economic Zone (EEZ), that is now available under the United Nations Convention on Law of the Sea (UNCLOS)". According to the paper, Navy's Chief Hydrographer Rear Admiral B. R. Rao in fact told the Pakistani official during the Sir Creek talks that in case India and Pakistan were unable to stake "our respective claims" by 2009, the U.S would be perfectly entitled to move in and start exploitation of the seabed in the marshy area. Meanwhile the Prime Minister while in Shimla told a press conference on May 29 "we will thoroughly analyze the progress (of the talks). We are not against finding a permanent solution by way of talks with our neighbours. The atmosphere now is most affable." He took the opportunity to tell the press that the country would make "full and sincere" efforts to resolve all bilateral problems with Pakistan through talks. Though progress had been made in strengthening the ties with Islamabad "several complexities" remained, he added.

4. The two sides agreed to continue their discussions aimed at an early resolution of the issue for the mutual benefit of the two countries.



189. Press interaction of Prime Minister Dr. Manmohan Singh with foreign journalists based in New Delhi.

New Delhi, May 30, 2005.

Maintaining that it would be “unrealistic” to fix any timeframe for resolving the Kashmir issue, the Prime Minister offered to work together with President Musharraf to find a “meaningful solution” to difficult problems. In an hour-long interaction with foreign journalists based in the capital Dr. Singh said he looked forward to his visit to Pakistan. “I remain firm in my conviction that we must move towards finding constructive solutions to all outstanding issues,” he said when asked whether Gen. Musharraf recent statements on greater autonomy, self-government and international supervision for Jammu and Kashmir were realistic.

He asked Pakistan to honour its commitment to quickly dismantle terrorist camps operating from that country. Reminding the world that terrorism from Pakistan and not India’s obduracy remained the biggest threat to the peace process, the Prime Minister said: “If we have a major attack like the one on Parliament or RSS headquarters or other places that could upset the whole process.” He stated that the “first and foremost precondition” which he had conveyed to President Musharraf was that “terrorist elements must be fully under control.” It was only last week that Musharraf said: “This is some what like the chicken and egg situation. We say that they must stop their atrocities and demilitarize the area. And the response I get from the other side is that all “terrorist activities” inside the valley must stop first. Who stops first?” The Prime Minister is quite clear. Pakistan has to stop its terrorism and dismantle its terror infrastructure.

Observing that he was willing to discuss all issues “including what President Musharraf calls the core issue of Jammu and Kashmir,” Dr. Singh firmly ruled out further division of the country or redrawing of boundaries. “I will never accept anything that leads to further division of India on religious

lines. I have no mandate to negotiate on redrawing our boundaries. Within these limitations, the two of us must work together to create an environment to take the peace process forward.” This required a “new pattern” of working. A lot could be done by promoting people-to-people contacts. “There is great scope for moving forward.”

Dr. Singh said India had a “very vital stake” in the unity and integrity of Sri Lanka and expressed the hope that the ethnic problem would be resolved peacefully. “We are not indifferent” to what was happening in Sri Lanka, he said in reply to a question on the “dangerous” problem arising from the LTTE setting up naval and air bases.



190 Media briefing by Official Spokesperson on the visit of Hurriyat leaders to Pakistan Occupied Kashmir by the Srinagar – Muzaffarabad Bus.

New Delhi, June 1, 2005.

Question: Pakistan has advised the Hurriyat leaders to get a passport. Have they applied for the Passport? How many are going?

Answer: Let me give you a full position on that because I have been getting a lot of calls on that and there seems to be some confusion on that.

The Government have all along said that it would be willing to consider requests for visits by any Indian national to Muzaffarabad and other places across the Line of Control on the Srinagar - Muzaffarabad bus service, and these requests would be processed in accordance with the understanding reached between India and Pakistan. It is on this basis that individual applications from some of the APHC leaders have been processed and those who have been accepted by the Pakistani side, have been allowed to travel on the bus.

The bilateral understanding is limited for travel, on the basis of permits issued by the two sides, to the entire territory of the erstwhile State of Jammu & Kashmir. If some of the Hurriyat leaders are invited to travel to Islamabad as has been reported, outside this provision of the above understanding, the onus for this lies on the Pakistani authorities.

As regards your specific question on passports the applications of those APHC leaders who have applied to RPO, Srinagar, for issue of passports, are being processed.

Question: How many have applied?

Answer: I do not have the exact number.

Question: The bus goes on Wednesdays, so it should be going today?

Answer: I think the bus is scheduled to go on 2nd June i.e. tomorrow.

Question: Isn't that a change in the stand of the government because earlier it was saying that it would be considered a breach of the understanding but now it is saying that the onus lies on Pakistan?

Answer: I have stated our position on more than one occasion. The understanding between India and Pakistan as far as the bus service is concerned is quite clear. If leaders are invited to visit Islamabad and they do so then the onus for that part of the journey lies on Pakistan authorities. I do not see any contradiction in these statements. It is quite clear.

Question: Last week the Pakistani Foreign Minister in an interview to Daily Times accused India of obduracy and said that no peace process with India could last for more than three to four years. Have you sought any clarification from Islamabad on that?

Answer: I normally do see my daily copy of the Daily Times but I seemed to have missed that one. As far as our views are concerned I think the Prime Minister has made the stand of India on the peace process very clear in his comments in Shimla, which appeared after that interview. So I do not think that I need to get into that.

Question: What are your expectations of the Hurriyat leaders who have passport who have applied for their passports? What are they going to do with that?

Answer: I would not like to go into that. The point simply that I am trying to make is that an Indian national who applies for passport is entitled to the passport being processed and this is being done. As far as travel on the bus is concerned the travel is on the basis of travel permits, which I have explained.

Question: The bus leaves tomorrow. So when are you going to issue the passports?

Answer: That is up to the RPO to process the passports as expeditiously as possible but as I have explained to you the travel on the bus is on the basis of the permits issued for that sector of the journey as per agreed procedure.

Question: There are reports that Hurriyat leaders would be traveling by their own vehicles?

Answer: I have no information on that as I have just answered. I am just addressing the issue of travel by bus.

Question: But is that allowed under the Agreement?

Answer: The agreement is on the bus service, how can I talk about cars? The Agreement between India and Pakistan on the CBMs is for the Srinagar - Muzaffarabad bus service. I could try and check with Ministry of Home, Ministry of Defence on what you are saying but I have no information on this.



191. Joint press statement on the visit of Minister for Petroleum & Natural Gas and Panchayati Raj Mani Shankar Aiyar to Pakistan.

Islamabad, June 7, 2005.

In accordance with the Joint Press Statement of April 18, 2005, in New Delhi by the President of Pakistan, His Excellency General Pervez Musharraf and the Prime Minister of India, His Excellency Mr. Manmohan Singh, it was agreed that the Ministers of Petroleum and Natural Gas would meet to explore cooperation on the issue of pipelines. Accordingly, the Indian Minister for Petroleum & Natural Gas and Panchayati Raj, Shri Mani Shankar Aiyar, visited Pakistan at the invitation of H.E. Mr. Amanullah Khan Jadoon, Minister for Petroleum and Natural Resources of Pakistan, between June 5-7, 2005. The two Ministers discussed cooperation between India and Pakistan with regard to the import of gas through transnational pipelines.

2. In Islamabad, H.E. Mr. Mani Shankar Aiyar had the honour of calling on H.E. President General Pervez Musharraf and H.E. Prime Minister Mr. Shaukat Aziz. He had a one-to-one meeting and delegation-level talks with H.E. Minister Mr. Amanullah Khan Jadoon. The two Ministers agreed that the transnational pipeline projects should be given top priority as there would be substantial advantage to both countries in pursuing and realizing cooperation in these projects, to serve their energy security interests, and to create linkages and interdependencies for establishing an enduring relationship between the two countries. They were of the shared view that, given the substantial requirements of gas of their countries, the processing of pipeline projects should be accelerated.

3. The Indian Minister explained to the Pakistani Minister India's requirements of gas by pipeline and the arrangements worked out by India. The Pakistan side gave a detailed presentation of the position regarding supply and demand for natural gas in Pakistan and provided an overview of the gas sector economy. The Indian Minister thanked the Pakistani side for the detailed information provided and, in turn, provided some details of arrangements made by India to import LNG and agreed to share technical information and experience in this regard with the Pakistani side.

4. **Iran-Pakistan-India Pipeline:** The two Ministers reviewed the Iran-Pakistan-India gas pipeline proposal. They agreed that the project, which envisaged supply of gas to Pakistan and India through a transnational pipeline, would go a long way in meeting the energy security requirements of the two countries and, thus, should be seen as a significant project for the benefit of the peoples of these countries. The Indian and Pakistani delegations agreed to exchange information in regard to the financial structuring, technical, commercial, legal and related issues to realize a safe and secure world class project. To this end, it was agreed that the momentum pertaining to the project should be accelerated by constituting a Joint Working Group at the Secretary-level, which will meet regularly and report progress to the Ministers to facilitate definitive decisions by them, at the earliest.

5. **Turkmenistan¹-Afghanistan-Pakistan Pipeline:** H.E. Mr. Amanullah Khan Jadoon provided the Indian Minister with details of this

1. Addressing a press conference in Islamabad on June 7 Mani Shankar Iyer said India would continue to explore the options of importing gas from Turkmenistan through the Turkmenistan – Pakistan – Afghanistan pipeline sponsored by the Asian Development Bank and possibly

project in which the Indian side expressed interest. The Indian Minister confirmed that he would respond positively to an invitation to attend the next Steering Committee Meeting.

6. Gulf South Asia (GUSA) Pipeline: The Pakistani side outlined the parameters of the proposed GUSA project and India expressed interest in participating in this project.

7. The Indian Minister conveyed his gratitude to H.E. Mr. Amanullah Khan Jadoon for the warm hospitality and courtesy extended to him and his delegation throughout their stay in Pakistan. Minister Aiyar invited Minister Amanullah Kahn Jadoon to visit India to pursue transnational pipeline projects to maintain the momentum of dialogue and cooperation. The invitation was accepted. It was decided that H.E. the Pakistani Minister would visit India at his earliest convenience. It was also agreed that the Indian Minister would again visit Pakistan at mutual convenience later in the year. These visits would be preceded by meetings of the Joint Working Group, alternately in India and Pakistan, to discuss all issues relevant to the realization of world-class pipeline projects to meet the gas requirements of the two countries.



from Qatar through a pipeline that would run under sea and overland through the UAE and Pakistan. Meanwhile on July 5 the External Affairs Minister held discussions with Pakistan Prime Minister on the sidelines of the Shanghai Cooperation Conference in Astana (Kazakistan) when the two reviewed the bilateral relations. While Pakistan Prime Minister spoke about the Iran-Pakistan-India Gas-pipeline project, and trade related issues including the movement of trucks between the two countries, External Affairs Minister Natwar Singh told the Pakistani Prime Minister that India was concerned that Pakistan had not done enough to dismantle the infrastructure of terrorism and said the evidence about the functioning of certain facilities and camps was available. Media reports quoted senior Indian officials to say that Aziz told EAM that Pakistan Government was "institutionally completely against" cross-border terrorism.

192. Press release of the Ministry of External Affairs on discussions in Paris on the Baglihar Hydroelectric Project.**New Delhi, June 11, 2005.**

The Indian delegation led by Secretary, Ministry of Water Resources attended the first meeting with the Neutral Expert appointed by the World Bank in consultation with the Governments of India and Pakistan under the provisions on the Indus Waters Treaty of 1960.

It may be recalled that the World Bank, had appointed Prof. Raymond Lafitte of the Swiss Federal Institute of Technology, as the Neutral Expert who is to make a determination on the issues of difference which Pakistan had referred to him.

This was the first meeting on the matter held on 9-10 June 2005 in Paris.

The Pakistani delegation was led by Mr. Makhdoom Ali Khan, Attorney General.

Opening the meeting, Mr. Roberto Danino, Senior Vice President and General Counsel, World Bank, appreciated the constructive manner in which the Indus Waters Treaty had been operated for the past 45 years. He pointed out that the Neutral Expert, Prof. Lafitte was appointed in consultation with the Governments of India and Pakistan and he was happy that the Bank had a constructive and positive role to play in the process.

The first meeting focused on setting the procedures, which the Neutral Expert would adopt to enable him to arrive at a determination of the differences in a fair and equitable manner.

The discussions were held in a cordial atmosphere and the Neutral Expert heard the views of the delegations of India and Pakistan on issues of procedure and documents.

The procedure settled by the Neutral Expert affords both parties three occasions each to explain their respective stances which is in line with the practices followed by international courts and other tribunals to reach a just and equitable resolution. The Neutral Expert also proposes a site inspection on mutually convenient dates.



193. Response of Official Spokesperson to a question on a news report in the *Daily Times* regarding involvement of Pakistan's Information Minister Sheikh Rashid Ahmad in training terrorists.

New Delhi, June 14, 2005.

The revelation by Mr. Yasin Malik¹ (reported by the *Daily Times*, Islamabad, June 14, 2005) at a meeting during an exhibition in Islamabad on June 13 that the Information Minister of Pakistan, Sheikh Rashid Ahmad, had set up a camp where around 3500 jehadis were trained in guerilla warfare is a matter of great concern. It is particularly serious that people directly involved in such activities continue to occupy high positions in Pakistan.

Our stand remains that no effective action has been taken by Pakistan to dismantle the infrastructure of support to terrorism on a permanent basis. This is contrary to the assurance given by the Pakistani leadership that Pakistan will not allow any territory within its control to be used to support terrorism in any manner. It is our sincere hope that Pakistan will abide by its commitment.



1. Yasin Malik was one of the members of the Hurriyat Conference delegation that went to Pakistan occupied Kashmir and from there went to Pakistan, where during one of his public engagements he said that when militancy in Kashmir was at its "zenith" Mr. Rashid set up a "camp where 3, 500 *Jahadis* were trained in guerilla warfare". Though Rashid, confronted with this bitter truth, tried to deny his involvement and wriggle out of this public embarrassment, Government of India took a serious view of his involvement in activities, which promoted terrorism in the Indian State of Jammu and Kashmir. He was apprehensive that this revelation would jeopardize his application for travel to Srinagar by the recently introduced Muzaffarabad – Srinagar Bus. On June 16 a spokesman for the Congress Party reacting sharply said in New Delhi: "If there is any Minister or authority in Pakistan who is involved in or associated with it [training of terrorists], surely such a person will not be welcome in this country. There is no question of any compromise or any dilution of our position." Meanwhile Sheikh Rashid put in his application for travel to Srinagar. On June 17 the Official Spokesperson of the Ministry of External Affairs Navtej Sarna said: "The Government of India has processed the application and has declined to accord permission taking into account all relevant aspects involved."

194. Letter of Prime Minister Manmohan Singh to the former Prime Minister Atal Bihari Vajpayee replying to his letter of June 15¹ regarding government's handling of the peace process with Pakistan.

New Delhi, June 21, 2005.

Respected Vajpayeeji,

Thank you for your letter of June 15, 2005. We are fully conscious of the issues raised in your letter. It is our endeavour to take the composite dialogue between India and Pakistan forward while ensuring that India's vital interests are fully safeguarded.

We have consistently held that the dialogue with Pakistan is predicated on its commitment to end cross-border terrorism, as outlined in the Joint Statement of January 6, 2004. The centrality of this position was most recently reflected in the Joint Statement released after my meeting with President Musharraf.

I would like to emphasize that there is no room in our discussions – or in our action – for ambiguity regarding our position on Jammu and Kashmir. I have reiterated on every possible occasion that there can be no redrawing of boundaries. We have also ruled out any role for the third party – either through interventions or as guarantor or as mediators – in any form.

With regard to the visit of the Hurriyat leaders to Pakistan, you are aware of the fact that in the last four or five years, these leaders have regularly met Pakistani dignitaries visiting India, as well as Pakistani diplomats. In this background, our Government felt that their visit to Pakistan could not do any harm. I may also add that their visit to Pakistan - occupied Kashmir using the Srinagar – Muzaffarabad bus was cleared on the basis of agreed procedures.

That Pakistan decided to invite them to visit Islamabad and other cities in Pakistan violated an understanding on these procedures that had been reached between India and Pakistan. Passport were issued to those

1. The letter was made public by the recipient, though the Prime Minister regarded the correspondence between himself and the former Prime Minister a "privileged" matter, believing that policy matters should not be discussed through media.

Hurriyat leaders who did not possess Indian passports and made a request for the issue of such documents. It would not, therefore be correct to state that the authorities on our side had mishandled the visit of the Hurriyat.

We have been consistently of the view that Jammu and Kashmir has a duly-elected Government which came into office after an election that was internationally held to be free and fair. We recognize that there are some groups that are outside the electoral process, and the All Party Hurriyat Conference is one among such groups in Jammu and Kashmir. We are nevertheless willing to enter into a dialogue with such groups, provided they agree to abjure the path of violence. Nothing in our action in the last twelve months has compromised our adherence to this principle.



195. Joint press statement issued at the end of India-Pakistan talks on Wullar barrage/Tulbul Navigation Project.

New Delhi, June 29, 2005.

As part of the Composite Dialogue between India and Pakistan, the delegations of the two countries met in New Delhi on 28-29 June 2005 for discussion on the Wullar barrage/Tulbul Navigation Project. The Indian delegation was led by Mr. J. Hari Narayan, Secretary, Ministry of Water Resources, Government of India and the Pakistan delegation was led by Mr. Ashfaq Mahmood, Secretary, Ministry of Water and Power, Government of Pakistan.

2. The talks were held in a cordial and constructive atmosphere¹. The two sides exchanged views on the project and reaffirmed their commitment to the Indus Waters Treaty of 1960.

1. While stating that the two sides had a better understanding of each other's position, at the end of the talks the two sides recorded separate 'minutes' of the meeting. Asked when the work on the project would be resumed, the leader of the Indian delegation Hari Narayan said although the talks had made progress towards resolution, India's position was that work on the project would start after settlement of the issue. Regarding the precise time when the next round would take place, the leader of the Pakistani delegation Ashfaq Mahmood said the talks were part of the composite dialogue and in due course both countries would work out a time-table. [The Tulbul project is a "navigation lock-cum-control structure" at the mouth of the Wullar lake. It envisages regulated release of water from the natural storage in

3. The two sides agreed to continue the discussion at the next round of the Dialogue Process with a view to resolving the issue in accordance with the provisions of the Treaty.



196. Media briefing by Official Spokesperson on the question of Indian prisoners in Pakistan.

New Delhi, July 14, 2005.

In response to a question the Official Spokesperson said:

We have seen news reports emanating from Pakistan media regarding the alleged hunger strike by some Indian prisoners in Kot Lakhpat Jail, Lahore. The news reports do not reflect the factual position. The Government of India has repeatedly taken up with the Government of Pakistan the issue of release and repatriation of Indian civilian prisoners and fishermen languishing in Pakistani jails. We have confirmed the nationality of 64 Indian prisoners in Lahore. As regards Indian fishermen, there are 173 Indian fishermen whose nationality has been verified. All these await Pakistan Government's approval for their repatriation.

In addition, there are 155 Indian fishermen who have not been granted consular access so far by Pakistan authorities. Several representations have been received by the Government from Members of Parliament, political leaders and the public on the welfare of the Indian fishermen in Pakistan's custody. We have received information today that Pakistan has decided to provide consular access to these fishermen in Karachi jails on July 16 and 18. This has been made possible due to the persistent efforts of the Government of India to secure consular access to all Indian prisoners in Pakistan for their immediate release and repatriation. We hope that they will be released soon.



the lake to maintain a minimum draught of 4.5 ft in the river up to Baramulla during the lean winter months. This is to ensure round-the-year navigation from Anantnag to Srinagar to Baramulla, a distance of over 20 km.]

197. Statement by Official Spokesperson on Organization of Islamic Conference comment on Jammu and Kashmir.

New Delhi, July 18, 2005.

The Organisation of Islamic Conference (OIC) has once again commented upon Jammu & Kashmir at the OIC Foreign Ministers' Meeting in Sana'a, Yemen. The OIC has no *locus standi* in matters concerning India's internal affairs. We reject all such resolutions.



198. Joint press statement issued at the end of second round of talks between Pakistan and India on Promotion of Friendly Exchanges in Various Fields.

Islamabad, July 27, 2005.

The second round of talks between Pakistan and India on 'Promotion of Friendly Exchanges in Various Fields' was held in Islamabad on 26-27 July 2005 under the framework of the Composite Dialogue in a friendly atmosphere. The Pakistani delegation was led by Mr. Jalil Abbas, Secretary, Ministry of Culture, Sports and Youth Affairs Division. Mrs. Neena Ranjan, Secretary, Ministry of Culture, led the Indian delegation.

2. The two delegations held detailed and constructive discussions on the proposals already exchanged and the fresh proposals tabled during the meeting. The talks covered the fields of art, culture, sports, tourism, youth affairs, education, media and archeology.

3. The two delegations agreed to initiate discussions to revive the 1988 Bilateral Cultural Agreement. It was agreed to expand the 1974 Bilateral Protocol on Visits to Religious Shrines to increase the number of shrines in both countries as also the number of pilgrims.

4. The Indian delegation also called on Mr. Muhammad Ajmal Khan, Minister for Culture, Sports and Youth Affairs, of Government of Pakistan.



199. Joint press statement issued after India-Pakistan Expert Level Dialogue on Nuclear Confidence Building Measures.

New Delhi, August 6, 2005.

The India-Pakistan Expert Level Dialogue on Nuclear Confidence Building Measures was held in New Delhi on 5-6 August 2005. The Indian delegation was led by Ms. Meera Shankar, Additional Secretary (UN), Ministry of External Affairs. The delegation of Pakistan was led by Mr. Tariq Osman Hyder, Additional Secretary (UN & EC), Ministry of Foreign Affairs. The visiting Pakistani delegation also called on the Foreign Secretary Shri Shyam Saran.

2. The present round of discussions is the third meeting held between India and Pakistan at the level of experts on the subject of nuclear CBMs, under the Composite Dialogue process. The two sides continued to hold wide-ranging discussions in a cordial and constructive atmosphere, including on their respective security concepts and nuclear doctrines.
3. The two sides reached an understanding on the proposed Agreement on Pre-Notification of Flight Testing of Ballistic Missiles. The proposed Agreement commits both sides to pre-notify in a structured format flight testing of ballistic missiles, with the objective of enhancing mutual confidence and engendering predictability and transparency of intent. The Experts have jointly recommended the agreed text of the proposed Agreement to the Foreign Secretaries of India and Pakistan for formalization.
4. In pursuance of the MoU of 21 February 1999, which inter alia provided for undertaking national measures to reduce the risks of accidental or unauthorized use of nuclear weapons under their respective control, the Indian side handed over a draft of such a proposed Agreement.
5. The two sides emphasized the importance of early operationalization of the hotline link¹ proposed to be established between the Foreign Secretaries, through their respective Foreign Offices, to prevent

1. Speaking to journalists at the end of the talks Ms. Meera Shankar leader of the Indian delegation said that the hotline between the foreign secretaries of India and Pakistan would supplement the existing hotline between the two DGMOs, utilized to smoothen irritants on the Line of Control.

misunderstandings and reduce risks relevant to nuclear issues. In this connection, discussions on related technical parameters were held. Details about implementation and testing schedules were exchanged. It was agreed that the hotline link will be established in September 2005.

6. The two sides also agreed to report the progress made in the present round of the talks to the respective Foreign Secretaries, who will decide on the date and venue of the next Expert Level meeting on Nuclear CBMs.



200. Joint statement on second round of expert level talks between India and Pakistan on Conventional Confidence Building Measures.

New Delhi, August 8, 2005.

The Second Round of Expert Level Talks between India and Pakistan on Conventional Confidence Building Measures was held in New Delhi on 08 August 2005. Mr Dilip Sinha, Joint Secretary, Ministry of External Affairs, led the Indian side. Mr Tariq Osman Hyder, Additional Secretary (UN&EC), Ministry of Foreign Affairs, led the Pakistan delegation,

2. The talks between the two delegations were held in a cordial and constructive atmosphere.
3. Both sides exchanged views on their respective security concepts.
4. The two sides exchanged views on various proposals and agreed on the following CBMs:
 - i) Reaffirmed their commitment to uphold the ongoing ceasefire.
 - ii) To implement the 1991 Agreement between Pakistan and India on Air Space Violations in letter and spirit.
 - iii) Upgrade the existing hotline between the two DGMOs by end September 2005.
 - iv) Not to develop any new posts and defence works along the LOC.

- v) Hold monthly Flag Meetings, between local commanders, at Kargil/ Olding, Uri/ Chakothi, Naushera/ Sadabad and Jammu/ Sialkot Sectors.
 - vi) Speedy return of inadvertent Line crossers, and to work out a comprehensive framework to that end.
 - vii) Periodically review the existing CBMs.
5. The two sides also agreed to report the progress made in the present round of talks to the respective Foreign Secretaries, who will decide on the date and venue of the next Expert Level meeting on Conventional CBMs.



201. Media briefing on second round of Expert-level talks between India and Pakistan on Conventional Confidence Building Measures.

New Delhi, August 8, 2005.

Official Spokesperson: Good evening. As you know, we have just concluded two sets of Expert-level talks with Pakistan. The first one on which you have already received the Joint Statement¹ was on the Nuclear Confidence Building Measures in which the two sides reached an understanding on the proposed Agreement on Pre-Notification of Flight Testing of Ballistic Missiles and we are hopeful that that Agreement and other understandings reached during that dialogue will contribute significantly to the peace process between India and Pakistan.

The second set of talks was the second round of Expert-level talks between India and Pakistan on Conventional Confidence Building Measures which was held today August 8. As you know, Mr. Dilip Sinha, Joint Secretary from the Ministry of External Affairs led the Indian delegation and Mr. Tariq Osman Hyder, Additional Secretary from the Pakistan Foreign Ministry led their delegation.

The Joint Statement that has been agreed upon².....

1. Document No. 199.
2. Document No. 200.

Question: Other than what has been agreed to in the Joint Statement are there any other proposals which have been made by India but not accepted by Pakistan?

Answer: As you know, during the last one year/eighteen months we have been giving several proposals for CBMs and a very large number are on the table, some of which have been agreed upon and some of which have not been agreed upon.

However, in the particular context of today's meeting I would like to just remind you that we have also proposed a number of military CBMs which was done in December 2004 at the first round of the meeting of this Expert level group. Amongst them, of course, there were a set of CBMs which covered exchanges like holding of seminars between academics and research institutions dealing with strategic and defence related issues, for instance, IDSA on the Indian side and IIS from Pakistan. We also proposed exchanges, lectures, seminars between the defence training establishments like the National Defence Colleges. We also proposed friendly sporting contacts and tournaments between Armed Forces from both sides, exchange of military bands and so on. We are hopeful that these proposals, if they are agreed to, would greatly reduce tensions and misperceptions.

It is a matter of regret that Pakistan has not yet found it possible to agree to such proposals.

Question: Any reference to the infiltration going on?

Answer: Well, there was a general overview of the situation but I do not have a line-by-line readout of the discussions. The idea was basically to look at the proposals on the table from both sides. As I said we had proposed six military CBMs in December. Pakistan had proposed some military CBMs. The idea in this meeting was to hone down to what could be agreed upon at the moment.

Question: Were there any new proposals from the Pakistani side?

Answer: Pakistan also had some proposals on the table and those that we found it possible to agree to, we have agreed. For instance, the upgrading of existing communication links between the two DGMOs, it is a proposal which comes from both sides, that has been agreed to. No development of Posts and defence works along the LoC, that has been proposed by Pakistan,

that has been agreed to. There was a proposal on the implementation of Article 2 of the Agreement concerning airspace violation, which I paraphrased for you in different terms, that has been agreed to. Monthly meetings at the flag level, that has been agreed to.

Question: When you say that there would be no defence work on the LoC, does that also include fencing?

Answer: Well, I have talked of defence works.

Question: To what level will the hotline be upgraded?

Answer: When you say hotline is upgraded it means that the hotline is upgraded in its quality. You have it at the DGMO level.

Question: At the earlier talks there was this proposal of ... troops along the border with specific accent on Siachen. Was that discussed today?

Answer: I do not see that as a proposal from either side at the moment. As far as the Indian side is concerned you know the quantum and composition of our Armed Forces is governed by our national security interests and objectives in each particular place.



202. Joint statement issued at the end of second round of India-Pakistan talks on Economic and Commercial Cooperation.

New Delhi, August 10, 2005.

The Second Round of India – Pakistan talks on Economic and Commercial Cooperation within the framework of the Composite Dialogue was held here on August 9-10,2005. The Indian Delegation was led by Commerce Secretary Shri S. N. Menon. The Pakistan delegation was led by the Acting Secretary Ministry of Commerce, Syed Asif Shah.

The discussions were held in a cordial and constructive atmosphere. The two sides recognized the scope for further increase in bilateral trade and discussed further measures to enhance mutually beneficial economic and commercial cooperation.

The two sides agreed on the following:

- Aeronautical talks would be held in Pakistan in September 2005 to review the existing Air Services Agreement.
- Bilateral meeting to review the Shipping Protocol of 1975 would be held in Pakistan in September 2005.
- The Second Meeting of the Joint Study Group (JSG) would be convened at an early date in Islamabad. The JSG meeting would be preceded by the meeting of the Sub-Groups on Non-Tariff Barriers (NTBs) and Customs Cooperation and Trade Facilitation to formulate recommendations for consideration by the JSG.

The two sides recalled the decision taken during the visit of the Prime Minister of Pakistan to India in November 2004 to open branches of scheduled banks in each other's country and agreed that requests for opening of bank branches in both the countries would be processed expeditiously to facilitate bilateral trade relations.

Both sides also noted the progress achieved in concluding a Memorandum of Understanding (MoU) between the Securities and Exchange Board of India (SEBI) and Securities and Exchange Commission of Pakistan (SECP) to benefit from each other's experiences.

Both sides expressed the hope that Fibre Optic link between Amritsar and Lahore would be established and operationalized at the earliest¹.



1. When the talks began on August 9, the Indian Commerce Secretary in his welcome address said that under the Composite Dialogue, both sides would explore cooperation in the areas of mutual benefit like Civil Aviation, Shipping, Banking, and Petroleum & Natural gas. The exchange of technology and skills between the two countries would help enhance the quality of goods at relatively cheaper prices, he said. He welcomed the move of the Government of Pakistan to open the Wagah- Attari Land Route. "The Wagah- Attari LCS was notified by India in 1994 on the permanent basis for movement of goods by road and rail. We hope that Pakistan would consider opening of the same on permanent basis for a larger number of commodities. This has the potential for the creation of jobs by increasing ancillary activities along these routes" he said. During the talks both the sides noted the quantum increase in the volume of trade between the two countries, which has reached the level of US \$ 600.77 million in 2004-05.

203. Address by External Affairs Minister K. Natwar Singh at the launch of Indo-Pak Parliamentarians Forum.**New Delhi, August 23, 2005.**

I extend a warm welcome to the distinguished Members of Parliament from Pakistan who have travelled to India for this meeting of the Indo-Pak Parliamentarians Forum.

The fact that such a forum has been created and is meeting in New Delhi with the participation of many esteemed parliamentarians from both countries is in itself a reflection of the change in the climate in our bilateral relations.

It is also a manifestation of the overwhelming desire among people on both sides of the border for peace and friendship.

There is a great reservoir of goodwill on both sides, based on our affinities and commonalities. We need to build further on this foundation. Greater contact among civil society in our region, particularly among the elected representatives of the people, would open the doors for a better appreciation of our respective viewpoints and in bridging our differences.

It would also contribute towards the efforts of the Governments to build a durable structure of peace, stability and cooperation in South Asia. In fact, civil society has been a major driving force in bringing about the positive changes in our relations.

Our people have shown us the way forward to peace and friendship. Our conscious policy has been to be "people centric" and to promote people-to-people exchanges across the spectrum.

India, as the largest democracy in the world, takes pride in her democratic traditions and institutions. The will of the people is of paramount importance and must be harnessed to transform our relations.

Governments need to play a facilitating role in ensuring that the aspirations of our people are met. We need to work towards the consolidation of democratic trends and institutions in our region and across the globe.

Parliamentarians have a critical role to play in this process. I am,

therefore, delighted that such an exchange of ideas has now become a reality in our region. I hope that the formation of this Forum will not only serve to bring our two countries closer but also promote democratic values and institutions throughout our region.

We, in India, attach great importance to the ongoing process of engagement and confidence building with Pakistan. We are in the midst of a serious, constructive and purposeful dialogue process and this has yielded tangible benefits to the people of both countries. We can say with a measure of satisfaction that we are moving in the right direction and have discovered several areas of convergence and cooperation.

The last one year has witnessed remarkable and positive developments which, I believe, have brought us on to the threshold of a new phase in our bilateral relations. Diplomatic links have been normalized. The Srinagar-Muzaffarabad bus service was operationalised on April 7 this year.

We are also working actively to operationalise other transportation links, including the bus service from Amritsar to Lahore and Nankana Sahib and the rail link from Munnabao to Khokhrapar.

We are also looking at opening the Poonch- Rawalkot and the Kargil-Skardu routes. We have announced an increase in the number of religious shrines for pilgrimages by Pakistani nationals and hope for similar gestures from the Government of Pakistan. These increased linkages will not only encourage greater contact among our people, but would also create awareness of the need to transcend borders for the sake of our peoples' prosperity and well-being. We must work towards a situation where borders, even in our part of the world, begin to matter less and less and serve to unite rather than divide people.

As a measure of goodwill and our commitment to normalizing and strengthening relations, we have unilaterally liberalized the visa regime for Pakistani nationals to travel to India, including a system of visas on arrival for certain select categories such as senior citizens and minors. We hope to be able to implement group tours shortly. We have already put in place a special visa regime for Pakistani students to study in Indian educational institutions. We look forward to the reopening of the Consulates in Mumbai and Karachi at the earliest as this would greatly contribute towards increasing

interaction among our people. The Governments could play a major role in encouraging people to people exchanges and in defining new parameters in our relationship.

Complex and longstanding issues that have defied solution for decades and in which strong public sentiment is invested, stand very little chance of being tackled successfully in an atmosphere of suspicion and hostility. Such issues need to be dealt in tandem with a confidence building process that enlarges the public constituency for peace and friendship on both sides. We believe that CBMs are integral to the peace process. We need to have an incremental step-by-step approach towards resolving our problems. We need to be practical and realistic and must tread cautiously yet firmly on the path towards peace. We cannot expect dramatic results in such a short period and, therefore, we need to renew our commitment towards continued engagement for as long as it takes to find solutions in an amicable manner through sustained dialogue.

There is enormous potential in our relations with Pakistan and we are determined to enhance the areas of interaction as well as to build on the momentum already achieved. We attach immense importance to expanding bilateral economic and commercial cooperation. We need to jointly work towards tackling the common challenges of poverty and development in our region for the sake of the collective well being of our people. India has emerged as one of the largest and fastest growing economies in the world. We need to exploit our economic complementarities and build on the mutual enthusiasm of our business communities. It is imperative that we chart out a road map in order to give a solid economic foundation to the peace process. The opportunities are vast and exciting and must be seized. All we need is will and determination to move ahead in this direction. I am happy to inform you that Prime Minister, Dr. Manmohan Singh, is likely to meet President Musharraf in New York next month. Such regular high level exchanges between our two countries will only help further strengthen and deepen our expanding ties.

Here I would like to underline that terrorism has indeed become a serious menace not just to our two countries but also to the entire world. The bilateral dialogue process hinges on Pakistan adhering to its commitment not to allow any territory under its control to be used for cross-border terrorism against India. Irrespective of what form terrorism takes or what factors motivate this or who resort to perpetrate violent acts against

innocent people, terrorism has to be condemned without any reservations. This menace has to be rooted out from our neighbourhood. Your role in this regard would be valuable.

We sincerely seek peace and friendship with Pakistan. We hope that the coming months would witness wider and freer exchanges among our people so that the process becomes irreversible and we can build better understanding and mutual trust as we walk along the path of peace and good neighbourly relations. Our people want us to put an end to conflict and confrontation, to bury the past and to look ahead with hope and determination into a future full of progress and prosperity, peace and stability and friendship and cooperation between our two countries. As representatives of the people and influential members of civil society, I invite you to play a pioneering role in fulfilling the destiny of peace and prosperity that our people are entitled to.



204. Joint press statement issued at the end of Home Secretary level talks between India and Pakistan.

New Delhi, August 30, 2005.

The second round of Home Secretary level talks between India and Pakistan on Terrorism and Drug Trafficking, as a part of the ongoing Composite Dialogue process, were held in New Delhi on August 29-30, 2005. The Indian delegation was led by Shri V.K. Duggal, Union Home Secretary while the Pakistani delegation was led by Syed Kamal Shah, Secretary, Ministry of Interior.

The talks were held in a friendly and cordial atmosphere and the deliberations were frank and forthright. Both sides reiterated their commitment to combat terrorism and re-emphasised the need for effective steps for the complete elimination of this menace.

Both sides underlined the need for cooperation between the Central Bureau of Investigation and the Federal Investigation Agency and agreed that experts from both sides would meet at mutually convenient dates in

the near future, to work out modalities for the implementation of the arrangement for cooperation between the two agencies agreed earlier¹.

Both sides agreed to implement the decisions arrived at by the Foreign Secretaries in December 2004 on prisoners and reiterated their commitment to provide immediate notification of arrests made by either side, provide consular access to all persons within three months of arrest and release prisoners immediately after completion of sentence and nationality verification. They also agreed to release on 12 September, 2005 all fishermen and civilian prisoners who have completed their sentence and whose national status has been confirmed.

Both sides noted with satisfaction the continuing cooperation and exchange of information between narcotics control agencies of both countries and agreed that the Memorandum of Understanding between them will be finalised and signed shortly.

The MOU aims at having a regular institutional mechanism in place to intensify mutual cooperation and liaison on drug control matters.

The Pakistan Interior Secretary and members of his delegation called on the Home Minister, Government of India, Shri Shivraj V. Patil. The two sides agreed to continue the discussions within the framework of the Composite Dialogue Process.



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1. Explaining the context of this formulation, it was pointed out that the CBI and the FAI could now seek each other's help in criminal cases on the basis of a prior arrangement. Such arrangements it was pointed out were internationally accepted. The CBI and FAI would now assist each other in case of a request made by each side. The Home Secretary V.K Duggal told reporters that the "utmost understanding" had been shown by the two sides of each other's concerns. The agreement was a "fairly substantive move forward" an achievement in itself. "All other related issues pertaining to terrorism were also discussed", he said and added Mr. Shah had promised to look into India's concerns once he returned to Islamabad. However, before the visit, the Home Secretary Duggal told journalists in New Delhi that India would seek the deportation of underworld don Dawood Ibrahim from Pakistan during the talks. "We will seek the deportation of all those who are involved in terrorists activities against India and are wanted in this country for serious crimes and terrorism-related activities and are based in Pakistan," Home Secretary said. Asked specifically if Dawood decalred a global terrorist by the United States figures on the list of those whose deportation is being sought by India, he said "we will ask for all those who are wanted in India so that they can face the due process of law in this country". On whether new names of terrorists and criminals have been added to the list of 20 wanted men given to Pakistan by India during the NDA rule, Mr. Duggal said the list to be given during the Home Secretaries talks comprises of nearly 30 names. (He did not spell out the names on the list.)

205. Media briefing by Foreign Secretary Shyam Saran at the end of his first day's talks.

Islamabad, September 1, 2005.

Dr. AVS Ramesh Chandra, Counsellor, High Commission of India, Islamabad: Good evening Ladies and Gentlemen. It is indeed an honor for us to have with us His Excellency Mr. Shyam Saran, Foreign Secretary of India and His Excellency Mr. Shivshankar Menon, High Commissioner of India in Pakistan. Foreign Secretary will have an opening statement after which we will take questions.

Foreign Secretary: Thank you very much. Good evening to all of you. It is a great pleasure for me to be back here again in Islamabad. As you are aware my visit is in connection with the conclusion of the second round of the Composite Dialogue between India and Pakistan on a number of designated issues. The Composite Dialogue's second round came to an end just a couple of days back when we had the meeting of the Indian Home Secretary with the Interior Secretary of Pakistan. Although the review will be carried out at the ministerial level when our Foreign Minister comes to Islamabad in the first week of October, it was felt that it would be worthwhile for me to have this meeting with my Pakistani counterpart, especially in view of the fact that President Musharraf and Prime Minister Dr Manmohan Singh would be meeting shortly in a couple of weeks' time in New York.

Let me just give you a sense of the discussions that were held today. Both sides in conducting the review of the second round of the Composite Dialogue said that significant progress was made on several of the issues which were on the table. There are specific areas in which we have agreed to take our relationship forward. Just to give you a few examples, we have finalized the text for pre-notification of the missile tests between the two countries and we have agreed that this agreed text will now be signed when our External Affairs Minister comes to visit Islamabad.

Similarly we have been able to finalize the text for a MoU between the Indian Coastguard and the Pakistan Maritime Security Agency. This is for communication links between the two and this text is also ready for signature. We will endeavor to have this also signed during the visit of the External Affairs Minister.

We have during this period of the Composite Dialogue also made progress on a number of transportation, communication links between the two countries, on certain Confidence Building Measures or people-to-people contacts. You are aware of the landmark decision to operationalize the Srinagar-Muzaffarabad bus service. And I think it is testimony to how important this decision has been that it has already played a very important role in terms of bringing the people on the two sides of the LoC together.

We are now, because of the success of the service, looking at the possibility of increasing the frequency of this bus service. We have also agreed to look at some additional bus routes. This includes the proposed Poonch-Rawal Kot bus service. We have on our side also suggested that we could have an additional bus service between Kargil and Skardu, which is also a demand of the people in those areas.

With respect to other linkages we have already agreed that there should be a bus service between Amritsar and Lahore, and Amritsar and Nankana Sahib. We will be holding technical talks in order to operationalize this as early as possible. From our side we have also expressed our readiness to consider a bus service between Lahore and Sirhind on the Indian side.

I will recall that during this period we have also had some high-level visits, and high-level interactions. Our External Affairs Minister visited Islamabad on a bilateral visit and that has taken our relationship forward. In April we had the privilege of receiving President Musharraf in New Delhi and as a result of that visit a very forward-looking joint statement was issued and today in the review that we carried out we looked at the implementation of some of the decisions taken then and also agreed that we need to as early as possible give effect to some of those decisions which have not yet been operationalized. We looked at the humanitarian issue of exchange of prisoners, and treatment of prisoners. We have, as you know, agreed during the talks between the Home Secretary of India and Interior Secretary of Pakistan that as a humanitarian gesture we would have exchange of prisoners who have completed their sentences and also whose nationality has been verified by the 12th of September. We have also agreed to give consular access to each other for the prisoners of each others' countries. And we have also agreed that we will put in place a mechanism whereby as soon as an arrest is made of someone who is suspected, of either Pakistani or Indian nationality, we will inform each other about the arrest.

So as far as the morning meeting is concerned I believe it was very productive, very constructive and forward looking. We have taken a number of decisions in order to take our relationship forward. Just before I came here, I had the privilege to call upon the Prime Minister of Pakistan His Excellency Mr. Shaukat Aziz. During this meeting we went over the results that have been achieved through the Composite Dialogue including in the review meetings this morning. The Prime Minister conveyed to me the interest of Pakistan to take our relationship to a higher level, and further explore complementarities, which exist between our two economies.

For my part, I conveyed to him the message of our Prime Minister that India is determined to address all outstanding issues between the two countries. This includes, of course, the issue of Jammu and Kashmir. I conveyed to him that as far as India is concerned, the parameters within which we can address the issue of Jammu and Kashmir are well known. Prime Minister has himself articulated these parameters. It is not possible for us to look at the re-drawing of boundaries or concessions in territorial terms. We do believe that whatever be the negative consequences or adverse consequences of these lines which are drawn on the map for the people on both sides on these lines, as civilized countries we have the obligation to try and minimize as much as possible these negative consequences, allow people to have easy interaction with one another, restore the natural flow of goods and peoples, give the opportunity for the obvious cultural affinities which exist between people to also play its role. And in this we are prepared to go as far as may be necessary.

We believe that in undertaking this journey together we may not immediately be aware of what the final destination may be, or what shape that final destination would take. But one thing is very clear to us: any mutually acceptable agreement that we have to arrive at must enjoy the support of people of India and the people of Pakistan. If it has to have the support of public opinion on both sides then we need to expand the constituency for peace on both sides of the border. And this expanding of the constituency of peace on both sides of the border does require that we should have many more opportunities to interact with one another, engage in dialogue with one another, understand each other's perspectives and each other's view points. Through this process we believe that the destination that we both wish to arrive at will be within the realms of possibility.

I have conveyed to His Excellency the Prime Minister the very strong desire of India and the vision that our Prime Minister has of this region becoming a region of great economic dynamism. We are living in a world where there are processes of globalization which are imposing both challenges as well as opening up opportunities for us. We believe that if South Asia has to take advantage of these opportunities, and if it has the ability to deal with these challenges, then we need to work together.

And fortunately there are very great economic complementarities amongst the countries of this region. Some of that economic exchange and cooperation is already in evidence. The win-win situation that we have been talking about, for example with regard to the proposed Iran-Pakistan-India pipeline, we believe that the same logic can be applied to a much larger canvas of projects and proposals between the two countries and the rest of the region. We have a vision of a South Asian Economic Community, a community of peace as well as prosperity and we are ready to walk hand in hand with Pakistan in pursuit of this particular destination.

As I said this has been a very satisfying visit for me, a visit which has been productive, a visit that I believe has enabled us to set the stage for what we hope will be another very constructive and also a very productive meeting between the President and Prime Minister in New York. Thank You.

Question & Answer Session

Question : Did you talk about Sarbajit Singh case?

Foreign Secretary: As I told you, when I had a meeting with Pakistan's Foreign Secretary in the morning, the humanitarian issue of prisoners was talked about. I told you what the two sides agreed on this issue. As you know, consular access has been given to Sarbajit Singh. This process is continuing as to how we can help him. And as we have said this is not a question of one single prisoner. It has a human dimension. There are so many prisoners on both sides. A decision has been taken that by September 12 all those people who have completed their sentences and whose nationality verification has been done will be released. This is a very important step and will try to take it further.

Question : President of Pakistan General Pervez Musharraf has been asking throughout the second round of Composite Dialogue that there should be a

deadline assigned for the resolution of Kashmir problem. Don't you think that time has approached? And during the third round of this Composite Dialogue, will it not be appropriate that a deadline should be fixed for the resolution of this problem.

Secondly, do you see any possibility of thinning out your troops in the Kashmir controlled by you so that the human right situation should improve in that part of this region. And if you allow me, may I know from you that how do you see the so-called cross-border terrorism. **(Mohd. Saleh Zaafir, 'The Jang')**

Foreign Secretary: Well sir, it (cross-border terrorism) may be "so-called" for you but unfortunately it is a very bitter reality for us.

As far as the issue of deadline is concerned, frankly President Musharraf has put no deadline to us on the resolution of any issue between India and Pakistan. I have to go by what is said to us by President Musharraf himself. And I think both sides agree that whatever issues are outstanding between the two countries, the sooner we resolve them the better. But I think putting artificial deadlines is not the way to go about.

As far as the issue of thinning out of troops is concerned, this is something which is really within the realm of our own sovereign decision and would be based on the assessment of the security situation prevailing in Jammu and Kashmir. The reality is, as I mentioned, that there continues to be an adverse security situation in the region because of cross-border terrorism, because of continued attempts at infiltration. There are still violent terrorist incidents which are taking place, and until the security situation really improves, the question of re-deployment of security forces really does not arise. And as I said, in any case this is something which will be decided upon on the basis of our assessment of how the security situation is evolving.

Question : It has been said from Pakistani side that the pace of this dialogue has been slow. Was this question raised today and whether there is any decision to speed up the process and whether there was any discussion or any possibility of having a trilateral dialogue, which includes the Kashmiri leadership?

Foreign Secretary: Well sir, as far as the pace of dialogue is concerned, I cannot see how anybody can come to the conclusion that the process is

slowing down. I think if you look at the number of occasions on which the two countries have been talking to each other, the number of issues on which they have been interacting with each other - I just spelt out for you some of the important developments which have taken place, I mentioned to you some of the agreements that have already been finalized or are in the process of being finalized- if we look at the progress that we have achieved during the past several months, I do not think any objective observer will come to the conclusion that there has been a slow down.

I think we need to get away from a sense that for India-Pakistan relations to move forward, every few weeks we must have some spectacular initiatives or some spectacular move forward. I think we are engaged in a task which is serious, we are engaged in building up a relationship which is complex and I think given those realities, frankly we have every reason to be satisfied with the progress that we have achieved. And we believe that we have set the stage, as I mentioned, for even further progress in the future. So I do not agree with that approach.

With regard to trilateral dialogue, as you know sir, we have a certain position with regard to the status of Jammu and Kashmir. In terms of dealing with the issues of Jammu and Kashmir, we believe that there is an elected government which has come into office through free and fair elections through the democratic process. However, we have also stated that even those who have not come through this electoral process, but who wish to contribute to the peace and stability of Jammu and Kashmir, we are ready to talk to them and have our doors open to them and this is precisely what I think is taking place.

Question: Sir, could you clarify whether the agreement on the pre-notification of missile test covers cruise missiles as well, because that was an ambiguous area given that Pakistan tested a missile recently that India was not informed of. My second question is that you did not mention anything about a reviewed mandate to the India-Pakistan Joint Commission, though you had indicated in Delhi that the third round of the Composite Dialogue could be in a changed form? **(Barkha Dutt, NDTV)**

Foreign Secretary: Let me clarify that there is no ambiguity as far as the pre-notification agreement is concerned. It does not include Cruise Missiles.

On the Joint Commission, I think what we have agreed is that the

integrity of the Composite Dialogue should be maintained. That is, the format that we have currently in place will continue. On the Joint Commission meeting we have recommended that the first meeting of the plenary of the Joint Commission should take place when our External Affairs Minister visits Islamabad next month and we are waiting for a confirmation (from Pak side). They will decide if there are certain sub-groups or sub-commissions which need to be established. But as far as the Composite Dialogue is concerned and the structure of the Composite Dialogue is concerned, we have agreed to retain that structure.

Question : You are talking about the meeting between President Musharraf and your Prime Minister. If you recall, last year they met in New York and they agreed to explore options for Kashmir solution. What has been the progress in exploring those options and secondly what about withdrawal of troops by both the sides from Siachen?

Foreign Secretary: Well, you know the issue of Jammu and Kashmir is a complex issue. We need to explore all possible means of trying to come to a mutually acceptable solution. As I mentioned to you in the beginning that perhaps at this point of time, the final destination may not be very clear or apparent. But I think what is important is that we should explore every possible means of dealing with, as I mentioned, the negative consequences of the lines drawn on the map. This is an exercise in which we are already engaged in; we have already made some progress in this respect. For example, the bus service between Srinagar and Muzaffarabad and some of the other proposals which are there for cross-LoC interaction.

Also, there will be a number of areas in which we can take this process forward. Certainly we would be open to any ideas which may be expressed from the Pakistani side concerning this process and just as we will give serious consideration to what Pakistan has to say, we hope that on the Pakistani side also there will be an equal willingness to look at our perspective on this particular issue.

With regard to Siachen, yes, we have had an informal exchange of views to see how we can take this forward. We have exchanged certain ideas both on Siachen as well as on the Sir Creek issue and hopefully, in the next few coming weeks we may be able to perhaps record some progress in this regard. At this point of time I really cannot tell you very much more on these two issues.

Question : Pakistan Foreign Secretary in his press briefing today has suggested that what was agreed is a Joint Economic Commission, whereas you are saying it is a Joint Commission. Is there any difference? **(Muralidhar Reddy, 'The Hindu')**

Foreign Secretary: I am sorry, I don't think there is any ambiguity as far as I am concerned because the decision which was taken was recorded in the April 18th Joint Statement that both sides agreed to revive the Joint Commission. Of course, the Joint Commission has an economic content but it also has certain non-economic issues which are within its ambit. So I would urge you not to please read anything into this more than what you need to. The important thing is that we have agreed that we will revive this Joint Commission. There is a proposal from our side to hold the first plenary of this Joint Commission when our External Affairs Minister comes here and the Pakistani side has reacted favorably to this but we need to have a confirmation that this will happen.

Question : Mr. Secretary my question is are you going to meet Mr. President tomorrow and what is your agenda for the meeting. Is there any one-point agenda regarding Sarbajit or something else?

Foreign Secretary: Well, I have to wait and see whether I will be meeting President Musharraf tomorrow.

Question : You talked about the new bus service. Is there any response to your proposals from Pakistan? **(Zee News)**

Foreign Secretary: We have agreed on Poonch- Rawalkot bus service and it has also been agreed that we will hold a technical level meeting to operationalize it. There is an in-principle agreement on the Amritsar-Lahore bus service, and for the Amritsar-Nankana Saheb bus service. And we have suggested that from the Pakistan side that the Lahore-Sirhind bus service could also be operationalized. It had been decided that the technical level meeting on the subject takes steps to implement the decision.

Question : Frequency in agreement....(inaudible)...on Srinagar-Muzaffarabad bus service.

Foreign Secretary: In principle we have agreed that there could be increased frequency but this is again something that the...the mechanics of this needs to be worked out.

Question : You have just told us about your satisfaction of pace of Composite Dialogue. But maybe someone will disagree about your statement. So I think the main question in the given circumstances is to curtail the miseries of Kashmiris. I just want to know that do you have something in your mind to improve the human rights situation in Indian held Kashmir. **(Mazhar Iqbal, Daily 'Islam')**

Foreign Secretary: Well, I do not think it is very productive to talk about human rights situation in the Indian side of Kashmir. I can also talk about human rights conditions on the Pakistani side of Kashmir. I do not think it is very productive to engage in a debate about human rights situation in Jammu and Kashmir. As far as the interests of the people of Jammu and Kashmir are concerned, I have already mentioned to you that our approach is a people-centric approach. It is an approach which is precisely directed towards making life as easy as possible for people on both sides of the Line of Control. That is why we have operationalized the Srinagar-Muzaffarabad bus service. Both sides have shown flexibility in bringing this about. We have also agreed upon opening other communication linkages. We are open to many more. We have talked about possibility of designating certain meeting points along the LoC where divided families and relatives can meet each other on designated days and designated places. We have talked about cross-LoC trade. President Musharraf had himself made the suggestion that there could be truck traffic across the LoC and there could be trade in locally produced goods. So I think that if you look at the approach that is being adopted, I think that approach is being adopted precisely in order to respond to the concerns and aspirations of the people of the region.

Question : Peace process has started....(in-audible). The Bhartiya Janata Party and President Musharraf and Atal Bihari Vajpayee agreed to start the process and it is now about two years. Change has taken place in India. Now Dr. Manmohan Singh is coming back to the roster (???). The gentleman talked of Pakistan and peace process between the two countries in Washington in very different and paradoxical terms putting (???)... finger.... (inaudible)... accusing Pakistan of proliferation and promoting terrorism in the region. But only last week in Kabul he talked of Pakistan as a responsible state and then said that without Pakistan terrorism cannot be contained. How would you view this contradiction in Indian side towards Pakistan?

Foreign Secretary: Firstly, I do not think there is any contradiction whatsoever. I would like to emphasize that there is consensus across the

political spectrum in India as far as pursuing peaceful friendly relations with Pakistan is concerned. There is no difference of opinion amongst any of the political parties in India that we should be engaged in seeking peaceful and friendly relations with Pakistan, whether it is the Bharatiya Janata Party or the Congress Party, or the coalition partners of the two parties. I think there is consensus that we should seek friendly, the best possible friendly and cooperative relations with Pakistan. So there is no ambiguity. With regard to the issue of terrorism, I think that the facts are there for everyone to see. We have to understand that our ability to carry the peace process is dependent upon our ability to create an atmosphere free of violence. This will always have an impact on the peace process. And this is something which I think is in the common interest of both India and Pakistan.

I think the two leaders themselves mentioned in their Joint Statement in April that this is a challenge which both need to address together. But I think we have to recognize that terrorism and violence cannot go hand in hand with our pursuit of peace. This is something on which again, whether it is this party or that party, there is also a consensus in India. With regard to proliferation, we know it is not only a concern, which has been expressed by India; there is a general concern internationally over the aspect of proliferation. Again this is a challenge which the international community needs to deal with together. And we have committed ourselves to non-proliferation of all weapons of mass destruction and we are willing to make our contribution to it. If Pakistan is willing to make a contribution to it, this is most welcome.

Question : One of the CBM agreements is underway on the pre-notification of ballistic missiles. Can you tell us the position of the hotline between both secretaries?

Foreign Secretary: I think we have already agreed upon the early operationalization of the hotline. I think there are certain technical problems, which need to be sorted out but my best understanding is that this is going to happen very soon.

Question : When you talked to the Prime Minister, did you raise the issue of Manjit Singh?

Foreign Secretary: No.



206. Media briefing by Foreign Secretary Shyam Saran after his second day's talks.

Islamabad, September 2, 2005.

Dr AVS Ramesh Chandra, Counsellor of the Indian High Commission: Good afternoon Ladies and Gentlemen. It is a matter of honour for me, for the second time in two days, to be presenting to you His Excellency Mr Shyam Saran, Foreign Secretary of India, and His Excellency Shivshankar Menon, High Commissioner of India in Pakistan. Foreign Secretary will have an opening statement and we will then take questions.

Foreign Secretary: Thank you very much. I'll just make an opening statement and take only a few questions because I have to catch a flight this afternoon. I think I have very exhaustively answered most of your questions yesterday. I am very happy to meet all of you again this afternoon. The Joint Statement, which has just been distributed summarizes the main points of my discussion with the Foreign Secretary of Pakistan. Both my counterpart and I have expressed our satisfaction at the many positive developments, which have marked the second round of the Composite Dialogue.

During the forthcoming visit of the External Affairs Minister of India, the agreement on the pre-notification of flight-testing of ballistic missiles and the MoU on establishing communication links between the Pakistan Maritime Security Agency and the Indian Coast Guard will be formally signed. As you will see from the Joint Statement, a number of technical level meetings are scheduled to be held in the coming weeks including on the Poonch-Rawalakot bus service, truck service for trade on Srinagar-Muzaffarabad route, review of the bilateral air service agreement and the shipping protocol, and also on the Lahore-Amritsar and the Nankana Sahib-Amritsar bus services. These technical level meetings will lay the basis for early results. We have also agreed on a broad calendar for the third round of Composite Dialogue that will be initiated when my counterpart, the Foreign Secretary of Pakistan, visits New Delhi in January 2006.

This morning I had the privilege of calling on the President of Pakistan. I conveyed to him my Prime Minister's regards as also that he greatly looks forward to their forthcoming summit meeting in New York. I took the opportunity to brief the President on the discussions, which I had

with my counterpart during the current visit and also on the overall progress, which has been achieved in the second round of the Composite Dialogue.

I am grateful to the government of Pakistan for the hospitality and courtesies extended to me during my stay here. I return confident that the Composite Dialogue is proceeding in a satisfactory manner and has proved to be a very useful instrument in bridging the differences between the two countries. Thank you very much.

Question & Answer Session

Question : You have said that Composite Dialogue was very satisfactory, while Pakistan's view is that the progress on the issue of Kashmir (in-audible).... is not very satisfactory. What are your comments on that ? (Javed Siddique, Resident Editor, *Nawai Waqt*, Islamabad)

Foreign Secretary: A. I think I had in fact answered this question yesterday itself. I stated that we are making progress on all different components of our Composite Dialogue and this includes the issue of Jammu and Kashmir as well as peace and security. I have mentioned yesterday that as far as the issue of Jammu and Kashmir is concerned it remains our belief that we perhaps may not at this point of time know what the final shape the settlement between the two countries would be. But I also stated that in order to get to the destination we both wish to reach, it is important that we create an environment in which we can ensure the support of both the people of India as well as of Pakistan.

I also mentioned that it is important while we are engaged in this process to ensure that while we may not be able to do very much in terms of changing the lines which are drawn on the map, it is important to adopt a people-centric approach, and to try and reduce, ameliorate, the negative consequences of these lines drawn on the map, encourage cross border cross LoC trade, and encourage people-to-people contact. Because this is the manner in which you can create a virtuous circle of understanding, a greater understanding between the peoples, greater interaction between the peoples, and build upon the very natural affinity, which exists between people on both sides. And this will contribute to reaching the goal that we both wish to achieve. And my understanding is that this particular process is in fact taking place and several of the measures that I have mentioned, and which are mentioned in the Joint Statement, are in fact in that direction.

Question : You just informed us that you held a meeting with President General Pervez Musharraf. Can you briefly tell us what was the perspective of General Pervez Musharraf in discussion with you? Thank you. (Shaukat Piracha, AAJ TV)

Foreign Secretary: Well, as I mentioned in my opening statement, this was really a courtesy call on His Excellency the President and in the meeting I mainly concentrated on conveying to him the sentiments of our Prime Minister, recalling the very forward-looking and constructive dialogue that had taken place between them in New Delhi in April this year, and how much our Prime Minister was looking forward to renewing his association with His Excellency in New York and which would also give them an opportunity to carry forward the very productive dialogue that we are engaged in. The President also responded by asking me to convey to our Prime Minister his very gracious acceptance of the invitation to have this meeting in New York and that he would be looking forward to this opportunity to exchange views with our Prime Minister on the various issues which are on the bilateral agenda which of course includes the issue of Jammu and Kashmir as well.

Question : On the 15th of August in Delhi, Prime Minister Manmohan Singh had said in his speech that the measures to combat violence and cross border terrorism by Pakistan have been half-hearted. Did this come up in your meeting with General Pervez Musharraf, and if so, how did he respond? (Barkha Dutt, NDTV)

Foreign Secretary: Well, I took the opportunity to welcome the recent assurances which have been articulated by President himself that various measures are being taken to combat the phenomena of terrorism, that terrorism poses a danger to Pakistan itself, measures to combat extremism and we would hope that these commitments are in fact implemented. I call it to attention to the fact that on the ground infiltration and violence still continues and it is our hope that this would subside. I also drew attention to the fact that both the Prime Minister and President had agreed that terrorism is something which must be confronted, that it must not be allowed to impede the peace process between the two countries.

Thank you, Ladies and Gentlemen. (Responding to a request) O.K... just one more question.

Question : Was the issue of Sarbajit raised with the President in your meeting today? (Piyush, STAR News)

Foreign Secretary: No. Did not talk specifically about it. Thank you very much.



207. Joint statement issued at the end of Foreign Secretary level talks between India and Pakistan

Islamabad, September 2, 2005.

The Foreign Secretary of Pakistan Mr. Riaz Mohammad Khan and the Foreign Secretary of India Mr. Shyam Saran met in Islamabad on September 1, 2005 to review the progress of the second round of the composite dialogue comprising Peace and Security including CBMs; Jammu and Kashmir; Siachen; Wullar Barrage/Tulbul Navigation Project; Sir Creek; Terrorism and Drug Trafficking; Economic and Commercial Cooperation and Promotion of Friendly Exchanges in Various Fields. The talks were held in a cordial, constructive and friendly atmosphere.

2. The Foreign Secretaries reviewed the progress made so far and assessed the developments in bilateral relations since the last review meeting of the Composite Dialogue held in September 2004. The Foreign Secretaries expressed satisfaction over the positive developments during the current round of the composite dialogue. They also reaffirmed the important outcomes of the discussions between President Pervez Musharraf and Prime Minister Manmohan Singh¹ reflected in the 18th April, 2005 Joint Statement.

1. Asked at a news conference about Prime Minister Manmohan Singh's recent remarks that attempts by Pakistan to combat violence and cross border terrorism were "half-hearted" the Foreign Secretary said India welcomed the assurances by Gen. Musharraf that various measures were being taken to fight terrorism. It was conveyed that terrorism and extremism posed a danger to Pakistan too. Saran said India had hoped that "these commitments are, in fact, implemented. I, of course, drew attention to the fact that on the ground infiltration and violence still continue, and it is our hope that this would subside." He recalled that both Gen. Musharraf and Dr. Singh agreed that terrorism must be confronted and not allowed to impede the peace process. "I return confident that the composite dialogue is proceeding in a satisfactory manner and has proved to be a very useful instrument in bridging differences between the two countries," Shyam Saran said.

3. The Foreign Secretaries reviewed the work of their experts who discussed Nuclear and Conventional CBMs and have contributed to a better understanding of each other's concerns. They welcomed the continuation of the ceasefire and commended the finalization of the Agreement on Pre-Notification of Ballistic Missile Tests. They recommended that the Agreement on Pre-Notification of Flight Testing of Ballistic Missiles and the MOU on establishing communication links between the Pakistan Maritime Security Agency and the Indian Coast Guard be signed during the forthcoming Ministerial Level Review Meeting on 3-5 October, 2005 at Islamabad.
4. The Foreign Secretaries welcomed the commencement of the Srinagar-Muzaffarabad Bus Service and agreed to hold a technical level meeting as soon as possible on the early operationalization of Poonch-Rawalakot Bus Service and a truck service for trade on the Srinagar-Muzaffarabad route. They agreed on further discussions on meeting points across LoC for divided families to ensure early implementation.
5. The Foreign Secretaries reiterated the importance of enhancing mutually beneficial economic cooperation and friendly exchanges. They noted that technical meetings would be held in September 2005 to review the bilateral Air Services Agreement and the Shipping Protocol. Technical experts will finalize the modalities for operationalisation of the Lahore-Amritsar and Nankana Sahib – Amritsar bus services during September 2005. They agreed that the 1988 Cultural Exchange Programme Agreement should be revised. The Foreign Secretaries noted the decision to expand the 1974 Bilateral Protocol on Visits to Religious Shrines to increase the number of pilgrims and add new sites in both countries. In addition, it was agreed to undertake an updating of the 1974 Visa Agreement.
6. The two Foreign Secretaries agreed on the need to improve, on humanitarian grounds, the existing mechanism for expeditious disposal of consular issues related to prisoners, fishermen and inadvertent line crossers of either side. They also agreed to implement the understanding reached in this regard during the Foreign Secretaries level talks in December 2004 and Home/Interior Secretaries talks in August 2005. In this regard, the need for revision of the 1982 Protocol on Consular access was agreed upon. The Foreign Secretaries welcomed the decision to release all prisoners on 12th September 2005 whose nationality was confirmed and who have completed their sentences.

7. The Foreign Secretaries recalled the decision taken in April 2005 by President General Pervez Musharraf and Prime Minister Dr. Manmohan Singh to revive the India-Pakistan Joint Commission. They recommended that a meeting of the Joint Commission be held during the visit of External Affairs Minister, Mr. K. Natwar Singh to Pakistan on October 3-5, 2005.

8. The Foreign Secretaries agreed on the following schedule for third round of Composite Dialogue:

- The Foreign Secretaries would meet in January 2006 in New Delhi to launch the next round of the Composite Dialogue.
- The next round of the Composite Dialogue meetings on the other six subjects will be held between January and July 2006.
- All technical level meetings would be concluded by April 2006.

9. The Indian Foreign Secretary Mr. Shyam Saran paid a courtesy call on President Pervez Musharraf and Prime Minister Shaukat Aziz.



208. Media briefing by Official Spokesperson on Sarbjit Singh sentenced to death in Pakistan for his alleged involvement in bomb blasts in Lahore and Multan.

New Delhi, September 5, 2005.

Question: Do you have any update on Sarabjit¹ after news reports that one eyewitness had said that he had made his statement under pressure?

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1. It may be recalled that when the issue of death sentence to Sarabjit Singh (accused for his alleged involvement in bomb blasts in Lahore and Multan) was raised in Parliament the government had promised to take up the matter with the Pakistan Government since it was believed to be a case of mistaken identity. On August 25 the External Affairs Minister conveyed to the Pakistan High Commissioner in New Delhi the Indian sentiments that case be treated as an "humanitarian issue" by Pakistan. The Official Spokesperson Navtej Singh Sarna briefed the media after the Minister's meeting with the High Commissioner. The following were the questions and answers at the briefing:

Official Spokesperson: External Affairs Minister Shri Natwar Singh discussed this matter once again with the High Commissioner of Pakistan. He reiterated the fact that this is a humanitarian matter and also that there is a strong public sentiment in India for sparing the life of the individual. Once again the matter of consular access being provided was taken up.

Answer: I have seen that news report. The action that Government of India is taking is focused on a certain series of steps which we have to take as a foreign government - to get consular access, confirmation of national identity

We hope that things would move in a positive direction.

Question: Has consular access not been provided?

Official Spokesperson: Not so far.

Question: There are reports from Islamabad the Indian High Commissioner has met the Pakistan Foreign Secretary?

Official Spokesperson: Yes, we have taken up the matter earlier. The Indian High Commissioner also took it up yesterday. We had another opportunity when External Affairs Minister Shri Natwar Singh just met the Pakistani High Commissioner.

The next day Foreign Secretary Shyam Saran announced that Islamabad had agreed to provide the consular access to Sarabjit Singh "Indian national" sentenced to death. He also added that the issue of prisoners was always on the agenda of the dialogue between India and Pakistan. It would also figure in the forthcoming talks between the Home Secretaries of the two countries. The Foreign Secretary who was expected in Islamabad in the next couple of days for talks with his counterpart further remarked that need to resolve the issue of Indian and Pakistan prisoners from a humanitarian angle would also be discussed. When asked by journalists about the exchange of prisoners, Shyam Saran said: "We have not talked about prisoners exchange in relation to the Sarabjit Singh case. We have been talking about release of civilian and other prisoners including fishermen who are currently in the custody of Pakistan. As a humanitarian gesture we would also be willing to release those Pakistani prisoners who are in Indian jails... In fact we have agreed to release a very large number of Pakistani prisoners in Indian jails. But, the verification process is still being carried out. That is, the Pakistani side, which has been given consular access to these people, has to verify that these are Pakistani nationals and would then be willing to take them back. So that sometimes takes a little time." (On 25 August government informed the Rajya Sabha that there were 1, 348 Indians in Pakistan jails – 923 civilians, 371 fishermen and 54 prisoners of war. However Pakistan has acknowledged the presence of 182 civilian prisoners only.) On August 27 the Prime Minister Dr. Manmohan Singh said "appropriate message had been sent to Pakistan on the issue of Sarabjit Singh. "On my behalf appropriate messages have been conveyed to Pakistan... People have already spoken to them," Dr. Singh told journalists after a book release function at his house. Meanwhile the Indian High Commissioner in Pakistan Shankar Menon told Secretary General of the Pakistan Muslim League Mushahid Hussain Sayed that India was prepared to release all the 177 Pakistani prisoners in Indian jails whose nationalities have been confirmed by the Pakistani government. He also told him that it was Pakistan's Foreign Office that was not responding to India's offer. On August 30 Official Spokesperson confirmed the following in his briefing:

- the two officials of HCI, Islamabad have completed consular access to the individual sentenced to death and in custody in Kot Lakhpat Jail Lahore, Pakistan. Consular access had been granted from 1100 hrs and completed by 1230 hrs.
- The team collected full details about the individual who appears to be in good health. He has been left with provisions of items of daily necessity. He had also handed over letters addressed to his wife and his sister which will be forwarded.
- In answer to questions regarding identity of prisoner, prisoner identified himself as Sarabjit Singh and now further checks would be carried out.

On October 4 when EAM met the Pakistani President Musharraf in Islamabad, he raised the question of Sarabjit Singh and suggested "he be dealt with from a humanitarian point of view." Media reports said that President Musharraf assured the EAM that he would take a note of the appeals for taking a humanitarian view of the case.

and so on. As you know, consular access was granted to Indian diplomats to visit the individual. He told them that he was Sarabjit Singh and he gave them letters for his wife and sister. Report of the visit by the High Commission's diplomats was conveyed to Headquarters. This was conveyed by Headquarters to the Punjab government and the Punjab government has now confirmed that the individual is indeed Sarabjit Singh. We have therefore informed Pakistani authorities that the national identity of the individual has been confirmed. He is Sarabjit Singh and he is an Indian national. That is the update.

Question: No access has been granted to his lawyers?

Answer: That is a legal process within Pakistan. We are focusing on firstly confirming his identity and I am informing you that his national identity has been confirmed and this has been conveyed to Pakistan authorities. And incidentally, since I keep getting calls about the letters, the two letters have reached the persons they were addressed to.

Question: What next? Repatriation?

Answer: There is a certain process to be followed. We are conveying to them that he is an Indian national. Now, we will see how they process the legal and juridical process within Pakistan.

Question: When was the identity conveyed?

Answer: Within the last day or two, either today or yesterday. I do not have the exact date but it has been conveyed.

Question: Was it conveyed that he is an Indian national or whether he is Sarabjit Singh and not Manjit Singh?

Answer: That he is Sarabjit Singh and that he is an Indian national. That is our confirmation and this has been conveyed to Pakistan.



209. Press note of the Ministry of Home Affairs regarding release of 101 Pakistani civil prisoners and 51 Pakistani fishermen.

New Delhi, September 9, 2005.

The Government of India will be releasing 101 Pak civil prisoners and 51 fishermen from the Wagah Border on the 12th of this month. The civilian prisoners are those who have completed their sentences and whose travel documents have been issued by the Pak High Commission in Delhi. 20 of these prisoners would be released from Rajasthan, 10 from Gujarat, 30 from Punjab, 6 from West Bengal, 31 from Jammu and Kashmir, one from Nagaland, 2 from Delhi and one from Maharashtra. The 51 Pak fishermen are those who had been arrested for fishing in the Indian territorial waters and whose travel documents have been issued by the Pak High Commission after nationality verification. States have been advised to bring the Pak civil prisoners as well as the fishermen to the Wagah Border on the 12th of this month for handing them over to the Pak authorities.

The Joint Secretary in the Ministry of Home Affairs, Shri D.S. Mishra has said that arrangements have been made for providing consular access to all Pak civil prisoners who are undergoing sentence or are under-trial and lodged in different jails in the country. During these consular access meetings, officials of Pak High Commission in Delhi will interview these prisoners to ascertain their nationality. Representatives of MEA and MHA will be present during these meetings. The dates and places for consular access and the States/UTs from where Pak prisoners will be given consular access are as under:

Dates,	Places and States
12-13 Sept., 2005	Tihar Jail, Delhi, Uttar Pradesh, Jharkhand, Madhya Pradesh, Andhra Pradesh, Bihar and Delhi.
19-20 Sept., 2005	Central Jail, Amritsar J&K and Punjab
26-27 Sept., 2005	Central Jail, Jaipur Rajasthan, Gujarat and Maharashtra

These actions are being taken in pursuance of the decision taken at

the second round of Home Secretary level talks between India and Pakistan on Terrorism and Drug Trafficking held in New Delhi on the 29th and 30th of last month. At the talks, both sides agreed to implement the decisions arrived at by the Foreign Secretaries in December 2004 on prisoners and reiterated their commitment to provide immediate notification of arrests made by either side, provide consular access to all persons within three months of arrest and release prisoners immediately after completion of sentence and nationality verification. They also agreed to release on 12th September, 2005 all fishermen and civilian prisoners who have completed their sentence and whose national status has been confirmed.

The Government of Pakistan have informed that it will be releasing 371 Indian fishermen and 64 Indian civil prisoners who are lodged in different jails of Pakistan. All these persons will be crossing the Wagah Border on the 12th of this month and will be sent to respective States¹.



210. Joint statement issued after talks between Pakistan President Pervez Musharraf and Prime Minister Dr. Manmohan Singh on the sidelines of the UN General Assembly Session.

New York, September 14, 2005.

Prime Minister Dr. Manmohan Singh² and President Pervez Musharraf met in New York on September 14, 2005 and reviewed progress in their relations since they last met in New Delhi on April 18, 2005. The two leaders referred to the earlier statements of January 6, 2004 and April 18,

1. The Pakistan Government too announced that it will release 371 Indian fishermen and 64 Indian civilian prisoners lodged in different jails in that country. They would cross the Wagah border on 12 September, 2005 and be sent to their respective states.
2. Three days before the above meeting in New York, Prime Minister told journalists accompanying him on board the special flight from New Delhi that he continued to "trust" the Pakistani leader and he believed that he could do "business" with the General. "I have not changed my views", he said. Asked about his Independence Day observations that Pakistan's efforts to curb terrorism in Jammu and Kashmir were "half hearted," the Prime Minister noted that Pakistan had taken "some steps" and it was "too early for me to say" (whether promises made have been kept). He repeated his earlier formulations that "we cannot change border but we can work to make borders irrelevant."

2005 and reiterated their pledge that they would not allow terrorism to impede the peace process.

They reaffirmed their commitment to the decisions taken at their meeting in New Delhi and agreed to expedite their implementation. They also welcomed the progress made within the framework of the composite dialogue, including promotion of trade and economic relations, people to people contacts and confidence building measures. They also welcomed the recent release of prisoners on both sides and agreed to continue this process on a humanitarian basis.

They expressed their commitment to ensure a peaceful settlement of all pending issues including Jammu and Kashmir to the satisfaction of both sides. They agreed that possible options for a peaceful, negotiated settlement in this regard should continue to be pursued in a sincere spirit and purposeful manner¹.



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1. Foreign Secretary later told the journalists that the joint statement should not be seen as a setback to the peace process. "We are not in the business of event making," he cautioned. He said it was unrealistic to arouse "expectations of spectacular outcomes" every time the President of Pakistan and Prime Minister met. There cannot be break through every two months. "It is a process that must be deepened and this process had to contend with legacies and complications" accumulated over the decades. The talks according to Foreign Secretary were marked by "frankness and candour" but were conducted in "a spirit of taking the relationship forward." While underscoring that it was a "pleasant encounter" between President Musharraf and Prime Minister Manmohan Singh, he suggested that the Indian leader had done some plain-talking on the question of continued violence and terror in Jammu and Kashmir. Dr. Singh told Gen. Musharraf that he would need to "answer credibly to the people of India" whether or not the peace process was yielding results on the ground (in terms of terrorist activities). Dr. Singh suggested to the General that according to the Indian assessment there had been a "spurt" in the violence in June and July and that beyond these "ebbs and flows" a "trend" was yet to emerge that would enable India to reach a "conclusion" (that Pakistan had done enough to control terror). However, Saran pointed out that New Delhi's view was that though the two countries still had many differences, it would take a positive view of the latest round of Manmohan – Musharraf interaction as a contributory development that would deepen the composite dialogue process. "We look forward to the third round of the composite dialogue in January 2006" he said. The Prime Minister had told President Bush a day earlier that "our belief is that Pakistan still controls the flow of terror and they must stop it for any realistic progress."

211. Joint statement at the end of second round of India-Pakistan technical level talks for operationalisation of Amritsar-Lahore and Amritsar-Nankana Sahib bus services.

New Delhi, September 28, 2005.

The second round of the India-Pakistan technical level talks for operationalisation of the Amritsar-Lahore and Amritsar-Nankana Sahib bus services was held in New Delhi on 27-28 September 2005. The Indian delegation was led by Shri Dilip Sinha, Joint Secretary, Ministry of External Affairs and the Pakistan delegation was led by Mr Mohammad Abbas, Additional Secretary, Ministry of Communications.

2. The two sides finalised an agreement on the Lahore-Amritsar bus service. They also discussed the draft agreement / protocol and technical modalities for the Nankana Sahib –Amritsar bus service including issues such as designated routes, bus terminals and facilities for the bus crews. Both sides agreed to hold another round of technical level talks within one month to finalise the arrangements for starting the Nankana Sahib-Amritsar bus service at the earliest possible.
3. A trial run of the Lahore-Amritsar bus service by the operators of the two sides will take place in the second half of October¹ 2005 with a view to starting the regular bus service in the first half of November 2005.
4. The two sides also explored the possibility of travel by pilgrims from both countries to holy shrines in India and Pakistan including Ajmer Sharif.



1. The schedule of October could not be maintained because of earthquake in Pakistan. The trial run from Amritsar to Lahore took place on December 11, when a bus from the Indian part of the Punjab crossed over to the Pakistani side via the Wagah border check post. The bus service is named Punj – Aab (Five Rivers). The Pakistan side conducted its dry run on December 13 when a bus carrying eight officials from Lahore crossed into India through the Attari - Wagah joint check post. The regular bus service which was to start from Lahore on December 23 and from Amritsar on December 27 has been postponed to now start from Lahore on January 20, 2006 and from Amritsar on January 24, 2006. (See Document No. 248.)

212. Joint press statement issued at the end of India-Pakistan Civil Aviation talks.**Islamabad, September 28, 2005.**

Civil Aviation talks between Pakistan and India to review the existing bilateral arrangements were held in the Ministry of Defence, Rawalpindi on 27-28 September, 2005.

The Pakistani delegation was led by Maj. Gen (Retd) Muhammad Ashraf Chaudhry, Additional Secretary, Ministry of Defence while the Indian delegation was led by Mr. Satendra Singh, Director General, Ministry of Civil Aviation.

In-depth discussions were held on adding more destinations, designation of multiple airlines and increasing frequency of flights. Both sides agreed to continue discussions.

The talks were held in a cordial atmosphere. Next meeting would be held at a mutually convenient date.

**213. Statement by Minister of External Affairs K. Natwar Singh on arrival in Islamabad.****Islamabad, October 2, 2005.**

I am glad to visit Pakistan after eight months of my last visit in February 2005. I thank Kasuri Sahib for his kind invitation. This frequency of high level visits itself is reflective of the positive momentum of the bilateral relations between India and Pakistan. It is the overwhelming desire of the peoples in both our countries for friendly relations. Our Governments respond to these sentiments and work towards a positive outcome to our deliberations.

My visit to Pakistan is in the context of the review of the progress made in the 2nd round of the Composite Dialogue, which was done by the Foreign Secretaries of the two countries on 1 September 2005 in Islamabad. I am particularly happy to note that the Foreign Minister of Pakistan and I will also be presiding over the first meeting of the India-Pakistan Joint

Commission to be held since 1989. Prime Minister Dr. Manmohan Singh and President Musharraf met in New York on September 14 and reiterated their commitment to take the peace process forward. I am hopeful that this meeting will provide a further impetus to increasing cooperation between our two countries in areas of mutual interest.

I also look forward to my meetings with other leaders of Pakistan both in Islamabad and Karachi to impart greater momentum to our dialogue process and promote further exchanges.



214. Press statement by External Affairs Minister K. Natwar Singh after the Joint Commission Meeting.

Islamabad, October 4, 2005.

Foreign Minister Kasuri and I have had two days of friendly, intensive and productive talks on all aspects of our bilateral relations. Yesterday, we conducted a comprehensive review of the second round of the Composite Dialogue. I agreed with Foreign Minister Kasuri that the second round of the Composite Dialogue achieved more positive results than the first round. We can expect an even more successful third round which will take place from January to July 2006.

2. This morning, I met President Musharraf and conveyed to him the greetings of our President and our Prime Minister. We both agreed that India-Pakistan relations had made significant progress since the current peace process began in January 2004. We reaffirmed our commitment not to permit terrorism to impede the peace process.

3. The Joint Commission met this morning after a hiatus of 16 years. We had a very useful discussion on how we could use the Joint Commission to further expand our bilateral cooperation. We have presented draft proposals to the Pakistani side on Visa Liberalisation, Consular Access and on expanding both the exchange of pilgrims and increasing the list of shrines on both sides. We have also handed over a draft Cultural Exchange Programme. We hope that these proposals will elicit a positive and early response from the Pakistani side.

4. We welcome the agreement we have reached to initiate technical level discussions to promote bilateral cooperation in a number of areas of mutual interest such as Agriculture, Health, Education, Science and Technology, Information, Environment and Tourism. Such cooperation will add greater substance to our relations both in the bilateral context as well as in the context of regional cooperation under SAARC. We have agreed that the next meeting of the Joint Commission which would be convened in 2006, would consider the reports of the various technical level interactions.

5. This afternoon, I will be meeting PM Shaukat Aziz and exchanging views with him on all aspects of our bilateral relations. I will leave for Karachi this evening for a day long visit. There will be an opportunity for me to call on the Governor of Sindh and meet the Chief Minister of the province. A meeting with the Federation of Pakistani Chamber of Commerce and Industry is being scheduled tomorrow. As you know, we plan to reopen our Consulates in Karachi and Mumbai respectively by January 2006 and my visit to Karachi will give me an opportunity to review the progress in the renovation of our Consulate premises.

6. The detailed results and outcomes of our meeting are laid out in a comprehensive manner in the Joint Press Statement. As is evident from the Joint Press Statement, this has been a substantive visit. I take this opportunity to thank my friend and counterpart, Foreign Minister Kasuri, for the gracious hospitality extended to me and my delegation during our stay in Islamabad.



215. Media briefing by Official Spokesperson on call by External Affairs Minister K. Natwar Singh on President Musharraf.

Islamabad, October 4, 2005.

- President Musharraf received EAM this morning in Rawalpindi.
- EAM conveyed to President Musharraf cordial greetings both of President and PM of India.
- These were reciprocated warmly. President Musharraf said that he was looking forward to visit of PM Manmohan Singh where a warm reception awaits him.
- President and EAM expressed satisfaction over notable progress achieved in our relations since summit President Musharraf and then PM Atal Behari Vajpayee which resulted in the Jan 6 Statement. They agreed that there was a significant change in climate of relations with public opinion in both countries during the peace process which is reflected in the progress achieved in the second round of the composite dialogue and the decision to expand the areas of cooperation through the revived Joint Commission. President and EAM discussed Siachen and Sir Creek issues and welcomed the ongoing discussions at the diplomatic level on a framework to promote their settlement on a mutually acceptable basis. On J&K the two sides agreed to continue to address this issue in a sincere and purposeful manner. EAM referred to the case of Sarabjeet Singh and urged that it be dealt with from a humanitarian angle. The President said he would take note of EAM's remarks when the matter was put up to him.
- Both sides welcomed decision to operationalise the Lahore-Amritsar bus service in November and noted that the Amritsar-Nanakana Sahib bus service should also be operationalised soon thereafter.
- EAM conveyed to President that with the opening of the Khokrapar-Munnabao rail line in January, it will be possible for Pakistani pilgrims to visit Ajmer Sharif much more conveniently by train.
- The meeting lasted 40 minutes.



216. Joint statement issued at the end of the visit of External Affairs Minister K. Natwar Singh to Pakistan.

Islamabad, October 4, 2005.

The Foreign Minister of Pakistan, Mr. Khurshid M. Kasuri and the Indian External Affairs Minister, Shri K. Natwar Singh met in Islamabad on 3 October 2005 for a review meeting on the progress of the second round of the Composite Dialogue comprising Peace & Security including CBMs; Jammu & Kashmir; Siachen; Wullar Barrage/Tulbal Navigation Project; Sir Creek; Terrorism & Drug Trafficking; Economic & Commercial Cooperation and Promotion of Friendly Exchanges in various fields. The plenary meeting of the revived Pakistan-India Joint Commission was also held in Islamabad on 04 October 2005. The meeting was convened pursuant to the decision taken by President General Pervez Musharraf and Prime Minister Dr. Manmohan Singh in their Joint Statement issued on 18 April 2005. The talks were held in a cordial and constructive atmosphere.

2. The Ministers held detailed and substantive discussions on the whole range of issues within the framework of the Composite Dialogue process and expressed satisfaction over the progress in the Composite Dialogue since their last review meeting in September 2004. They recalled the outcome of the discussions between the President of Pakistan and Prime Minister of India reflected in the Joint Statements of 6 January 2004, 24 September 2004, 18 April 2005 and 14 September 2005. The Ministers reiterated that possible options for a peaceful, negotiated settlement of the issue of Jammu and Kashmir should be explored in a sincere, purposeful and forward-looking manner. The Ministers reaffirmed their determination not to allow terrorism to impede the peace process. They resolved to carry forward the peace process and to maintain its momentum.

3. The Ministers expressed satisfaction over developments that have taken place over the last one year, including the smooth operation of the Muzaffarabad-Srinagar bus service.

4. The two Ministers endorsed the recommendations made by the Foreign Secretaries as reflected in the Joint Statement of the 02 September 2005. It was agreed that Expert level meetings will be held by the end of this year to finalize modalities for the meeting points of the divided families across the LoC and to initiate a truck service on Muzaffarabad-Srinagar route.

5. The two Ministers:
 - a. welcomed the agreement to operationalize the Lahore-Amritsar bus service in November, 2005;
 - b. agreed that a meeting of experts would be held in Islamabad on 25-26 October, 2005 to start the Nankana Sahib-Amritsar bus service at an early date;
 - c. agreed that a meeting at the technical level would take place before the end of the year to discuss arrangements for operationalizing the Rawalakot-Poonch bus service as early as possible;
 - d. agreed that a technical level meeting would take place before December 2005 to discuss modalities for starting truck service on Muzaffarabad-Srinagar route for trade in permitted goods; and
 - e. welcomed the release of prisoners and fishermen by Pakistan and India. They agreed that the understanding reached between the Interior Secretaries on exchange of prisoners and fishermen would be implemented in letter and spirit including immediate notification of arrests by either side, consular access to all persons within three months of arrest, release of prisoners on completion of sentence and verification of national status, and early release of inadvertent crossers across the LoC. The Indian side handed over a draft of an agreement on consular access.
6. The two sides exchanged ideas on the Siachen issue and agreed to continue their discussions so as to arrive at a common understanding before commencement of the next round of the Composite Dialogue in January next year¹.

1. Speaking to journalists in Karachi the next day Minister Natwar Singh said "there is no deadline for Siachen, but we hope the talks will move forward." He said "on some issues there can be no hurry. On some others, there is speedy movement." On October 3 Foreign Secretary Shyam Saran briefing journalists in Islamabad after the talks had said that while so far there was no agreement between the two sides on the modalities for demilitarization of Siachen Glacier, efforts were on to find ways and means to promote progress on the subject. Saran recalled that during the April visit of President Musharraf to India both sides had agreed that Siachen and Sir Creek should be addressed on a "priority basis" and the quest by the two Foreign Secretaries towards resolution of the two was in line with the understanding. There is an agreement in principle by the two sides to move troops from the Siachen Glacier in accordance with the 1989 understanding. But there was no forward

7. The two sides also exchanged ideas on the Sir Creek issue, taking into account the joint survey of the horizontal section of the boundary in the area. Without prejudice to each other's position, they agreed to undertake a similar joint survey of the Sir Creek itself, and to consider options for the delimitation of their maritime boundary. They agreed that the joint survey should commence before the end of the year and its report will be considered in the next round of the Composite Dialogue. Ideas relating to the delimitation of the maritime boundary would also be addressed in the Composite Dialogue with a view to its early resolution.
8. The two Ministers reiterated their commitment to the Iran-Pakistan-India gas pipeline project¹ and agreed that this would contribute significantly to the prosperity and development of their countries.
9. The two Ministers also welcomed the signing of the following:
 - a) Agreement on Pre-Notification of Flight Testing of Ballistic Missiles.
 - b) Memorandum of Understanding (MoU) on Establishment of a Communication Link between the Pakistan Maritime Security Agency and the Indian Coast Guards.
10. The Indian side presented drafts for consideration proposing amendments to the existing agreements on visa, visits to religious shrines and new proposals for a Cultural Exchange Programme. The two sides agreed to pursue these matters under the Composite Dialogue framework.

movement on this understanding due to difference on its interpretation. While insisted that withdrawal of troops would have to be preceded by certification of existing positions under the control of both sides, Pakistan argued that the demilitarization had to be unconditional. Meanwhile Chief of the Army Staff General J.J. Singh on October 21 told journalists that some sort of acceptance of present (troop) position was essential for the next step (of creating a demilitarized zone). "There should be some sort of documented acceptance of present position in whatever form. If there is an understanding of this requirement by the other side, progress can be made."

1. According to media reports the project also figured in the bilateral discussions between EAM and Pakistani Foreign Minister Khurshid Mahmud Kasuri as well as at Singh's meeting with Pakistani Prime Minister. In the course of the discussions India pointed out to the Pakistani leadership that it had recently appointed an expert to look into the 'economic viability' of the pipeline. It may be recalled that Foreign Secretary Shyam Saran in his press conference on October 3 had said that the Indian vote on the Iran resolution in Vienna had nothing to do with the pipeline project and the economic viability of the project would be the sole criterion for New Delhi in deciding on it.

11. The two sides reaffirmed their commitment to maintain the integrity of the Composite Dialogue.
12. The two Ministers expressed satisfaction at the revival of the Joint Commission and hoped that the Joint Commission would contribute significantly in strengthening the mutually beneficial relations and cooperation between the two countries. The two sides decided to restructure and streamline the work of the Joint Commission in the light of developments that have taken place since its last meeting in 1989.
13. In this context, the two sides had a meaningful and constructive exchange of ideas on restructuring the Joint Commission and subjects to be considered under its purview. The understandings reached would form the guidelines for the future work plan for the Joint Commission. The next meeting of the Joint Commission will be preceded by technical level working groups on Agriculture, Health, Science & Technology, Information, Education, I.T. & Telecommunication, Environment and Tourism.
14. The External Affairs Minister of India invited the Foreign Minister of Pakistan to visit India. The invitation was accepted and dates would be finalized through diplomatic channels.
15. The External Affairs Minister of India also paid courtesy calls on President General Pervez Musharraf and Prime Minister Shaukat Aziz.



217. Agreement between the Republic of India and the Islamic Republic of Pakistan on Pre-Notification of Flight Testing of Ballistic Missiles.

Islamabad, October 3, 2005.

The Government of the Republic of India and the Government of the Islamic Republic of Pakistan, hereinafter referred to as the Parties:-

Recalling the Memorandum of Understanding of 21 February 1999;

Committed to adopt appropriate measures aimed at preventing misunderstandings and misinterpretations and promoting a stable environment of peace and security between the two countries;

Have agreed as follows:-

Article-1

Each Party shall provide to the other Party, advance Notification of the flight test that it intends to undertake of any land or sea launched, surface-to-surface ballistic missile.

Article-2

Each Party shall notify the other Party, no less than three days in advance of the commencement of a five day launch window within which it intends to undertake flight tests of any land or sea launched, surface-to-surface ballistic missile.

Article-3

Each Party shall issue appropriate NOTAMs and NAVAREAs through their respective authorities.

Article-4

The bilateral Pre-Notification shall be conveyed through the respective Foreign Offices and the High Commissions, as per the format annexed to this Agreement.

Article-5

Each Party shall ensure that the test launch site(s) do not fall within

40 kms, and the planned impact area does not fall within 75 kms, of the International Boundary or the Line of Control on the side of the Party planning to flight test the ballistic missile.

Article-6

Each Party shall also further ensure that the planned trajectory of the ballistic missile being flight tested shall not cross the International Boundary or the Line of Control between India and Pakistan and further, it shall maintain a horizontal distance of at least 40 kms from the International Boundary and the Line of Control.

Article-7

The Parties shall treat the bilateral Pre-Notification exchanged under this Agreement as confidential, unless otherwise agreed upon.

Article-8

The Parties shall hold consultations, on an annual basis, or more frequently as mutually agreed upon, to review the implementation of the provisions of this Agreement, as well as to consider possible amendments aimed at furthering the objectives of this Agreement. Amendments shall enter into force in accordance with procedures that shall be agreed upon.

Article-9

This Agreement shall enter into force upon signature by the two Parties.

Article-10

This Agreement shall remain in force for a period of five years. It will be automatically extended for successive periods of five years at a time unless one or both Parties decide otherwise.

Article-11

A Party may withdraw from this Agreement by giving six months written notice to the other indicating its intention to abrogate the Agreement.

In witness whereof the undersigned being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Islamabad on 03 October 2005 in two originals, each text being equally authentic.

Shyam Saran
Foreign Secretary
For Government of the
Republic of India

Riaz Mohammad Khan
Foreign Secretary
For Government of the
Islamic Republic of Pakistan

ANNEXURE

Format for Pre-Notification For Ballistic Missile Flight Tests

The Government ofhereby notifies to the Government ofthat it will conduct a flight test of a land or sea launched, surface-to-surface ballistic missile within the period of..... to.....

The test launch site, the planned impact area and the planned trajectory of the ballistic missile conform to the provisions of Article 5 & 6 of the Agreement between the Republic of India and the Islamic Republic of Pakistan on Pre-Notification of Flight Testing of Ballistic Missiles.



218. Memorandum of Understanding between the Ministry of Defence, Government of the Republic of India, and the Ministry of Defence, Government of the Islamic Republic of Pakistan, for the Establishment of a communication link between the Indian Coast Guard and the Pakistan Maritime Security Agency.

Islamabad, October 3, 2005.

The Ministry of Defence, Government of the Republic of India, and the Ministry of Defence, Government of the Islamic Republic of Pakistan, hereinafter referred to individually as “a Party” and collectively as “the Parties”;

Aimed at establishing a Communication Link between the Indian Coast Guard and the Pakistan Maritime Security Agency;

Desiring to increase cooperation between the Indian Coast Guard and the Pakistan Maritime Security Agency;

Have agreed as follows:

Article-1

The Parties shall establish a Communication Link through telephone between Indian Coast Guard (ICG) and Pakistan Maritime Security Agency (PMSA).

Article-2

The Communication Link between ICG and PMSA shall be used for the purposes of:-

- a. Exchange of information of violation of each other's EEZ.
- b. Exchanging information about pollution incidents affecting the EEZ of the Parties
- c. Facilitation of Maritime Search and Rescue operations in accordance with national laws and regulations and applicable international conventions adopted by IMO.

- d. Exchanging information concerning natural disasters/calamities affecting adjoining coastal areas/sea of the Parties.
- e. Exchanging information relating to smuggling and illicit trafficking in narcotic drugs and psychotropic substances.

Article-3

1. For the purposes of this MoU, ICG shall be the implementing agency from the Indian side. The PMSA shall be the implementing agency from the Pakistan side.
2. The Communication Link shall be established through telephone for use at the level of respective Director General (DG).

Article -4

Guidelines for Coordination

1. **Reporting of EEZ Violations:** The patrolling vessels/aircraft of respective Parties finding any vessel of other Party violating the EEZ are to endeavour to inform the other Party at the earliest opportunity, through the Communication Link, about the nature of violation(s) committed and the action(s) taken/contemplated.
2. **Exchange of Information about Apprehended Vessels:** In case vessel(s) and crew are apprehended by an Authorized Agency of either country, the incident shall be reported immediately to the other Party through the Communication Link giving following possible details:-
 - a. Name of vessel
 - b. Name of master/nakhuda
 - c. Position of vessel committing violation
 - d. Type of violation committed
 - e. Total number of vessels/persons apprehended
3. **Coordination of Return Sea Passage:** Once the decision at the Government level is taken to repatriate the apprehended vessel(s)/crew members of the other State, either unilaterally or bilaterally, necessary coordination between PMSA and ICG will be undertaken through the

Communication Link to facilitate expeditious and smooth completion of their return sea passage. In this regard, following information may be exchanged:

- a. Apparent operational state of apprehended boats to facilitate sea voyage.
- b. Position of handing/taking over of vessel/personnel.
- c. Any other coordination/liaison required in this regard.

4. Exchange of Information of Pollution of the Marine Environment: The Parties will take all possible measures in a specific incident of pollution control to prevent, reduce and control the polluting agents within respective Maritime Zones. In case of a major pollution incident at sea, following procedures are to be followed:-

- a. All possible efforts are to be made to prevent the spread of pollution which may affect either State. However, when such measures are insufficient to prevent the pollution from spreading over a vast sea area that may involve other State's Maritime Zones, the same is to be communicated expeditiously to the affected Party for initiating preventive measures on its part. Information to be shared in this context may include the following:-
 - (1) Date and time
 - (2) Position
 - (3) Outflow of pollutant
 - (4) Characteristics of pollution
 - (5) Source and cause of pollution
 - (6) Wind direction and speed
 - (7) Current and tide
 - (8) Sea state
 - (9) Drift of pollution
 - (10) Forecast
- b. In addition to the Communication Link specified under Article 3, Maritime Rescue Coordination Center (MRCC) (Mumbai) and MRCC (Karachi) may be the points of contact on matters regarding exchange of information on pollution.

5. Exchange of Information in Combating Smuggling, Illicit Trafficking in Narcotic Drugs and Piracy:-

- a. In case of combating smuggling, drug trafficking and piracy the Parties may cooperate, using the Communication Link, through exchange of information about the possible identity of vessel(s)/ personnel and their position etc., if known, and likely sea routes to be followed by such offenders.
- b. In addition to the Communication Link specified in accordance with Article 3, MRCC (Mumbai) & MRCC (Karachi) may be the points of contact on matters concerning anti-smuggling, anti-narcotics and anti-piracy activities at sea.

6. Exchange of Information concerning Natural Calamities/ Disasters: In case of impending natural calamities such as cyclones etc. ICG and PMSA may exchange information using the Communication Link.

7. Coordination in Search and Rescue (SAR): ICG and PMSA may use the communication link for exchange of SAR information.

**Article-5
Meetings**

A meeting at the level of the respective Directors General of ICG and PMSA shall be held once a year, alternatively at New Delhi/Mumbai and Islamabad/Karachi to review the implementation of this MoU.

**Article-6
Settlement of Differences**

Any differences concerning interpretation or application of this MoU shall be settled through negotiations between the Parties.

**Article-7
Validity, Entry into Force and Termination**

1. This MoU shall enter into force on the date of exchange of instruments of ratification. It shall be valid for a period of 05 (five) years and shall be renewed for similar periods through mutual consultation.
2. Either Party may terminate this MoU at any time by giving a three

months advance notice to the other Party. The MoU shall cease to have effect on the date of expiry of the notice period.

In Witness whereof the undersigned being duly authorized thereto by their respective Governments have signed this MoU.

Done at Islamabad, on the third day of October 2005, in two originals in English language.

Vice Admiral Arun Kumar Singh
AVSM, NM
Director General
Indian Coast Guard
For Government of the
Republic of India

Rear Admiral Bakhtiar Mohsin
SI (M), TBt,
Director General
Pakistan Maritime Security Agency
For Government of the
Islamic Republic of Pakistan



219. Speech by External Affairs Minister K. Natwar Singh at the Dinner hosted by the Chief Minister of Sindh.

Karachi, October 4, 2005.

Excellency, Ladies and Gentlemen,

I am delighted to be in Karachi again after many years. I look upon its prominent landmarks with nostalgia and affection. Karachi is one of the great cities of our subcontinent and its history is inextricably linked with that of South Asia for the past 200 years. I am grateful to His Excellency the Chief Minister for the warm hospitality and the gracious welcome extended to me and my delegation today.

I was keen to visit Karachi, for in the coming months a landmark event in Indo-Pak history will take place. The reopening of the Consulates in Mumbai and Karachi will enable and facilitate an easier interaction and contact between the people of India and Pakistan.

As someone who has spent half a century in this business, I can say with some confidence that there is no better way to ease the bitterness of the past and lighten burden of history than people-to-people contact.

The city of Karachi is uniquely place to play a historic role in the endeavour to build Indo-Pakistan relations. The quality of its intellectual life, the mastery of its great artists, the industry of its people, all combine to give it that extra sheen or that special quality.

I believe however that Karachi is poised at the threshold of a great transformation as Pakistan emerges as the hub between South and South East Asia on the one hand and Central Asia and the Gulf on the other. The opening of the Khokhapar - Munnabao land route will enhance that hub status. I believe Karachi, with its long history as the captain of trade and industry in this region, is also uniquely place to act as the beachhead for stronger commercial and economic links between India and Pakistan.

Earlier in the day, I had fruitful meetings with the President and Prime Minister of Pakistan. Yesterday, I had intensive discussions with my counterpart Foreign Minister Kasuri. By comparison, my stay in Karachi will I hope be more relaxed and I look forward to getting a flavour of this city again.

Once again, may I say how very grateful I am to the Governor and Chief Minister for the graciousness and warmth of their welcome.



220. Address by External Affairs Minister K.Natwar Singh to the Federation of Pakistan Chambers of Commerce & Industry.

Karachi, October 5, 2005.

I am very glad to be present here this morning and interact with this distinguished gathering of the business community in Pakistan. I am grateful to the Federation of Pakistan Chambers of Commerce & Industry for kindly providing the platform for this interaction.

2.. I have returned to Karachi after a gap of 23 years and it is with a feeling of affection and nostalgia that I see many of the prominent landmarks of this great City.

3.. As I take an overview of the economic and commercial relationship between India and Pakistan and the manner in which it has progressed in the past 18 months or so, there are numerous positive developments. Firstly, economic and commercial contacts between the two countries have rapidly grown in this period. This greater intensity to business-level contacts has encouraged thinking and discussion about joint ventures, technical collaborations, and better marketing strategies in either country. This is a most encouraging sign. Secondly, there has been excellent participation by business communities of both countries in trade fairs and exhibitions in the other country. Thirdly, there are rapid developments beyond conventional trading, and this is in the area of services – in particular tourism, IT, civil aviation, shipping services, medicine and tele-medicine and banking. Fourthly and finally, there have been developments, which inspire confidence that there is an emerging environment in which it would be possible to restructure the infrastructure of trade and economic cooperation. In this regard, I refer, in particular, to the small beginning which has been made with regard to direct trade through the Attari-Wagah border, the good possibilities which exist for such trade on the Srinagar-Muzaffarabad and the Khokrapar-Munabao routes, the interest which has been shown in the

Mumbai-Karachi ferry service and the on going discussion on expanding the scope of the present civil aviation and shipping protocols between India and Pakistan.

4.. The points I have mentioned so far provide a bird's eye view of the present conjuncture of economic and commercial cooperation between India and Pakistan. There is a more general environment also to which I must refer. Both the Pakistani and Indian economies are in the midst of a major growth spurt. This provides a most favourable environment to conceive new concepts and ideas of how we can mutually benefit from existing complementarities between the two countries. Secondly, the regional institutional environment, particularly given the impetus, which has been provided by SAPTA and SAFTA, is also more commerce and business sensitive than perhaps, it has ever been. Finally, the current international environment has also provided further impetus to efforts in both India and Pakistan for expanding bilateral economic cooperation. In this context, I would refer, specifically, to the burden that increase in the price of hydrocarbons has placed on both our economies and the fact that we have, today, instruments, which would enable us to alleviate that burden by cooperation with third countries. Transnational pipelines, therefore, immediately come to mind and this is an area which is of immense significance to all of us.

5. Having sketched this general background let me come to specifics. There is a lot of scope for cooperation in many areas such as agriculture, chemicals, textile machinery, hydropower, drugs and pharmaceuticals, cotton industries, to name a few. For example, Pakistan can export cotton yarn, textile fabrics, surgical instruments, sports goods, electric fans and water coolers to India. We can even look at import of power from Pakistan if Pakistan has surplus power. India has recently offered liberalizing import of 116 tariff lines of interest to Pakistan in SAFTA. We are ready to look at non-tariff barriers within the ambit of the Joint Study Group. Similarly, India is in a position to fulfill Pakistan's annual demand of 100,000 units of vehicle tyres but the 46% import tariff on this item acts as a deterrent. We understand that there are certain industries, which need to be protected. We urge Pakistan to make a negative list of these and open the rest for regular trade or atleast open those items that she presently imports from elsewhere to Indian trade. This would go a long way in enhancing economic cooperation between the two countries.

6. I can, confidently assert that the business environment today is more favourable than it has ever been between India and Pakistan. This poses a challenge for those of us in Government and equally for the business community in both countries. I do believe that the role of Government should be to facilitate to the fullest extent possible contacts between the business communities of the two countries. In this spirit, we would welcome suggestions from businessmen in Pakistan on what we can do in specific and precise ways to advance cooperation between the two countries, turn our backs on the barriers and suspicions of the past and in some way endeavour to create and encourage the spirit of enterprise for businessmen in both the countries. Equally, there is a challenge for the business community of both countries. As I said, the environment, which exists today, because of a number of conjunctural forces and factors, is in many ways unique. It is for you to make full use of it. I am aware of the considerable increase in trade, which has already taken place in the last 12 months. This is a most encouraging sign since what, more than anything else, led to this spurt in our trade was only a more open visa regime than existed previously. Once we have better banking, airline, shipping and road transport linkages with each other, clearly, the results will be even more significant. It is our expectation that in the next few months there will be considerable advances in each of these specific sectors. We are on the threshold of a major expansion in people-to-people and business contacts. The re-opening of the Consulates General in Mumbai and Karachi reflects the desire of both Governments to facilitate the expansion of such contacts to the fullest extent possible.

7. Another important milestone will be the opening of Khokrapar-Munabao train route. These developments will facilitate cooperation between Western India and Southern Pakistan to a far greater extent than before. Karachi is poised at the threshold of a great expansion as Pakistan moves to harness its potential as a "hub country" as Foreign Minister Kasuri said at our talks in Islamabad. It is my belief that the expansion in trade and economic cooperation between India and Pakistan will lead Karachi to a even more successful and qualitatively new stage of its evolution as a trading and commercial capital of Asia and the World. The spirit of its citizens and the enterprise of its businessmen are well known to everyone in India. I hope that this spirit and enterprise are harnessed to the cause of expanding economic and commercial cooperation between India and Pakistan for the betterment of our whole region.

8. I expect that the citizens and the business community of Karachi will lead the way forward in building a new future for the people of India and Pakistan¹.



221. Statement by Official Spokesperson on a report in media about possible solution of Jammu and Kashmir.

New Delhi, October 7, 2005.

Government of India has seen the quoted remarks² of Makhdoom Syed Faisal Saleh Hayat, a Pakistan Government Minister concerning discussions taking place between India and Pakistan on Jammu & Kashmir. The Government wishes to clarify that there is no question of India accepting any change in the status of Jammu & Kashmir, which is and which will remain an integral part of India. There have been no discussions with Pakistan on changing, in any form whatsoever, the status of Jammu & Kashmir.



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1. Interestingly, the External Affairs Minister's strong pleas for expanding commercial and economic contacts came against the backdrop of the Pakistani Prime Minister Shaukat Aziz's pleas of a day earlier that the Indian investors were not welcome unless the Kashmir issue was resolved.
 2. The Spokesperson Navtej Sarna was referring to the report in a New Delhi daily which quoted the Pakistani Minister for 'Kashmir Affairs' and Northern Areas, Makhdoom Syed Faisal Hayat to say that "joint control of both Kashmirs as a single entity and limited sovereignty are some of the options now under the active consideration of India and Pakistan as well as the All Parties Hurriyat Conference. He said that these solutions were being discussed along with other proposal such as the devolution system at different levels of government and civil society."

222. Message sent by Prime Minister to President Musharraf on the earthquake that struck Pakistan.**New Delhi, October 8, 2005.**

We have been distressed to learn of the extensive loss of life and property that has taken place in Pakistan as a result of the severe earthquake which struck this morning. On behalf of the Government and people of India and my own personal behalf, please accept our sympathies and please convey our sincere condolences to those who have been bereaved as a result of this tragedy.

While parts of India have also suffered from this unexpected natural disaster, we are prepared to extend any assistance with rescue and relief which you may deem appropriate.

**223. Message sent by External Affairs Minister to Foreign Minister of Pakistan on the earthquake that struck Pakistan.****New Delhi, October 8, 2005.**

We were shocked to hear of the significant loss of life and damage to property that people of Pakistan have suffered as a result of the sudden earthquake, which struck both our countries and our region this morning. On behalf of the Government and people of India and my own personal behalf, I wish to convey our profound sympathy to all those who have lost their loved ones and those who have been injured in this grave natural disaster. Please do not hesitate to indicate to us in whatever way we can be of some assistance both for rescue and relief in the affected areas.



224. Media briefing by Foreign Secretary Shyam Saran on earthquake in certain parts of Pakistan and Pakistan-occupied Kashmir.

New Delhi, October 10, 2005.

Foreign Secretary : Prime Minister Dr. Manmohan Singh received the Pakistani High Commissioner, Aziz Ahmad Khan, at 7 Race Course Road this evening.

Prime Minister asked the High Commissioner to convey to President Musharraf and to Prime Minister Shaukat Aziz the profound sympathies of the Government and people of India on the massive loss of lives and property suffered by the people of Pakistan in the recent earthquake. The people of India, he said, have been deeply moved by the images of destruction and human suffering that they have been witnessing on the Television in the past couple of days. Our hearts go out, he added, to the people of entire villages and communities which have been devastated by this natural disaster. He said, this was a great humanitarian crisis and we would like to help in whatever way we can to alleviate the sense of loss and suffering of the Pakistani people.

The High Commissioner said that Heads of Missions of friendly countries had been provided a list of essential materials which could be supplied on a priority basis. He said that any assistance from India in the form of such materials would be deeply appreciated. We understand that the items required include tents and plastic sheets, blankets and mattresses, food items and a variety of medicines and medical supplies.

The Prime Minister has directed that a consignment of these items should be put together on an urgent basis and delivered to Pakistan at the earliest. The concerned agencies are already at work in organizing an airlift of these items by tomorrow evening subject to clearances being obtained.

Question : Any rescue efforts from our side along the LoC? When I talked to someone in Uri today he said that Pakistanis cannot reach those areas while it would be very easy for us to reach. Is there any suggestion like this?

Foreign Secretary : Yes, we have in fact conveyed to the Pakistani side that there are, as you say, certain areas along the LoC which may be easier

to access from the Indian side. What we have said is that if they can tell us the locations of these areas where they would like us to provide relief supplies across the LoC, and even perhaps send across foot patrols of medical personnel, we would be very happy to mobilize that. This has been noted by the Pakistani side. If there is any requirement, they will certainly come back to us. What I can tell you is that there is a very good atmosphere of mutual help at the LoC itself and very good understanding. We are told that normally helicopter sorties do not go very close to the LoC. But, in fact on both sides since the areas which have been devastated by the earthquake are very close to the LoC, we are allowing Pakistani helicopters to come right up to the LoC. I am very happy to say that the same thing is being done from (to) our side because we also need to reach some of our own villages which are at the LoC itself. So, the atmosphere is very good.

Question : Any specific numbers that we have decided (for relief supplies)?

Foreign Secretary : That is being put together. We will probably have a transport aircraft which takes about 25 tonnes of relief supplies. So, things like blankets, mattresses, there would be a fairly large consignment of medicines. These are in the process of being put together. We hope, by tomorrow afternoon we should have one plane load which should be ready for airlift.

Question : Why did not we announce unilaterally monetary aid for Pakistan and what is the amount of the consignment that is being sent?

Foreign Secretary : I cannot tell you what the monetary amount is. As I said, the first consignment, which we are putting together, would be about a plane load, which is about 25 tonnes. What exactly is the monetary value, I am afraid I will have to find out from our agencies and let you know later.

Question : What I was asking was why did not we announce some monetary aid for Pakistan unilaterally when many countries have announced monetary help.

Foreign Secretary : Prime Minister had already in his conversation with President Musharraf said that in whatever form assistance is required by Pakistan, we would be very happy to provide. Since we now have a list of specific items which have been indicated by Pakistan, and these specific items are available with us for immediate delivery, I think that is the best way of responding to the needs of the Pakistani people at this stage.

Question : What is the feedback that the High Commissioner gave Prime Minister? If the consignment goes tomorrow, will it be the first ever since 1971?

Foreign Secretary : I should think so. But you are asking me a history question which I am not fully familiar with. I think I could fairly confidently say that this would be the first time.

Question : What is the feedback?

Foreign Secretary : At the meeting itself what High Commissioner conveyed to Prime Minister was that both President Musharraf and Prime Minister Shaukat Aziz were very deeply appreciative of the message of sympathy and solidarity which had been conveyed by the Prime Minister and also the offer for assistance that would be required by Pakistan. In that context he drew attention to the fact that just an hour or so before the meeting took place this evening that a meeting had been called by the Pakistani Foreign Secretary of Heads of Missions of various friendly countries where a list of items had been provided where relief supplies would be welcome by Pakistan. So, it is on that basis that immediately after the meeting and on Prime Minister's instructions we have been working to organize the airlift as quickly as possible.

Question : Where would it be airlifted to? Islamabad or ...

Foreign Secretary : We have asked the Pakistani side where they would like the aircraft to land.

Question : Have they indicated anything?

Foreign Secretary : Not yet.

Question : You mentioned that the atmosphere is really good. Do you see any chance of a joint relief operation?

Foreign Secretary : I do not see any indication yet that there could be joint operations. But, as I mentioned to you, there are certain points along the LoC which are more easily accessible from the Indian side. So, if those particular points are indicated to us by our Pakistani friends where they would like us to send relief material across or even some medical help, we are geared to provide that.

Question: What about doctors and paramedical staff?

Foreign Secretary : As I mentioned to you, we have indicated that along the LoC if there are any points which are not so accessible from the Pakistani side, we have the wherewithal to provide that kind of medical assistance from our side. I would also like to mention that in Islamabad the meeting which was held with the Heads of Missions, the Pakistani side also indicated that they do not any more wish to have relief teams or medical teams coming to Pakistan because they have sufficient number of them.

Question : *The heaviest damage took place in Pakistan-occupied Kashmir, particularly in Muzaffarabad. Is there any indication from Pakistan that they want some assistance there from India?*

Foreign Secretary: *No, there is no such indication.*

(Note: the text in italics is translation from Hindi.)



225. Media briefing by Official Spokesperson on relief supplies to Pakistan in the aftermath of the recent earthquake.

New Delhi, October 14, 2005.

Official Spokesperson: Good evening. I just wanted to bring you up-to-date on the relief assistance which has now been sent in two consignments to Pakistan. As you know since the earthquake in Pakistan and in PoK on 8th of October, the Government of India has been in constant touch with the Government of Pakistan.

As you know Prime Minister had spoken to President Musharraf. External Affairs Minister had spoken to his counterpart. The offers of aid were conveyed the same day. The first consignment was sent on October 10 by air. The details of that consignment you have already reported upon so I would not go into that. The second consignment left for Pakistan today by train. The train includes four wagons on the Samjhauta Express route. This consists of 68 tonnes of relief material which is made up of 5000 blankets, 320 tents and 4.5 tonnes of plastic sheets. This train is expected to reach Attari by 8 pm tonight and thereafter will proceed to Lahore tomorrow morning.

Basically, we decided this time that the second consignment should be sent by train and not by air in view of the higher haulage capacity of the train and also not to add the overcrowding at Islamabad airport where International relief traffic is very high.

We also propose to send another consignment of medicines, tents, fortified biscuits and so on and this is expected to go soon. We have also decided to permit relief material being sent by private organizations and international NGOs to Pakistan.

India's gesture has been widely welcomed in Pakistan and this is obvious from the press reports in Pakistan. Our High Commission is also in constant touch with the Pakistani Authorities to enquire about the welfare of the Indian citizens who had travelled by the Srinagar – Muzaffarabad bus and had been trapped there. Five of the Indian citizens who were in this position have now returned to India and two others are getting medical treatment in Islamabad. Two more are expected to return soon.

Question: This relief material which can be sent by private organizations and that you mentioned can go through the Wagah Border?

Answer: That is the indication.

Question: Will India allow international aircraft to land in its...

Answer: We have not seen any such requests but if they are they will be considered

Question: Is the PM going to Pakistan?

Answer: I think you will have to address that question to Prime Minister Office. I have no input.

Question: Does anybody from the government want to go to Pakistan?

Answer: I do not have anything to report on that as of today.

Question: There were a couple of meetings that were to be held in Islamabad ahead of the SAARC Summit. Is there any..?

Answer: The SAARC Summit is still a month away. So, we will come to that. I have no information of any cancellations or changes or postponements.

Question: There was a report that the trial run of the Amritsar and Lahore bus service that was to take place tomorrow has been postponed. Anything on that?

Answer: I will check up on that.

Later the Official Spokesperson added:

The trial run of the Amritsar-Lahore bus that was scheduled for tomorrow has been postponed. Fresh dates would be worked out. The technical-level talks that were scheduled to be held on 25th and 26th October for Amritsar–Nankana Sahib Service have also been postponed.



226. Response of Official Spokesperson to a question on a news report regarding earthquake relief work.

New Delhi, October 15, 2005.

In response to a question the Official Spokesperson said:

We have seen a news report that India is delaying action on a request by Pakistan to cross over the LOC so as to have access for relief work.

It is clarified that we have received no such request from Pakistan. (However) we have received a request from Pakistan on October 13 to fly helicopters in the peacetime no-fly zone (one kilometer along the LOC). We are conveying our agreement today to this request provided permission is taken on a case-by-case basis¹.



1. On the 16th October Home Minister Shivraj Patil speaking to presspersons on the occasion of the Raising Day function of the National Security Guards at Manesar clarified that the decision to allow Pakistani helicopters in the “peacetime no-fly zone” must be seen as a humanitarian gesture. He said the countries should help each other during such crisis. Whatever the Indian defence forces did to help their Pakistani counterparts in the quake-affected areas was on a humanitarian basis. There was no cause for security concern. The Pakistan High Commission in New Delhi confirmed in New Delhi the same evening (15-10-05) that it had received the written permission of the Government of India to fly helicopters in the peacetime ‘no-fly zone’.

227. Statement by Official Spokesperson on telephone conversation between Foreign Secretaries of India and Pakistan on earthquake relief work.

New Delhi, October 17, 2005.

Foreign Secretary of Pakistan called Foreign Secretary Shri Shyam Saran this evening to convey that Pakistan would be willing to receive helicopters from India for relief work but without Indian pilots and crews. In his reply Foreign Secretary Shri Shyam Saran conveyed to his Pakistani counterpart that it would not be possible for India to provide helicopters, which are in service with its armed forces without pilots and crews.

Foreign Secretary reiterated our willingness to undertake relief work in villages close to the LOC on the other side as they are more accessible from our side. Concerning helicopter sorties being flown by Pakistani side to points close to the LOC, Foreign Secretary conveyed that these can be undertaken but information concerning the proposed sorties should be communicated as early as possible to the DGMO on the Indian side.



228. Media briefing by Official Spokesperson on news reports about President Musharraf's remarks on freer movement across the Line of Control.

New Delhi, October 18, 2005.

- We have seen news reports about President Musharraf's remarks¹.
- If these news reports are correct, we welcome the offer that has been made. This is in line with India's advocacy of greater movement across the LOC for relief work and closer people-to-people contacts.

1. The Official Spokesperson was reacting to the announcement made by President Musharraf on October 18 on the opening of the Line of Control to allow people to assist in the reconstruction of quake-ravaged Pakistan-occupied Kashmir. He said in Muzaffarabad that Islamabad could consider with India's consent opening of routes other than Muzaffarabad-Srinagar to enable people from across the LoC to cross over and participate in the relief and reconstruction effort. He however clarified to journalists that "not formal proposal had been

- India is willing to facilitate such movements but we await word from Pakistan about the practical details of implementing this intention.



229. Statement by Official Spokesperson on Telecom Facilitation Centres at Srinagar, Jammu, Uri and Tangdhar.

New Delhi, October 18, 2005.

In order to assist families in Jammu and Kashmir to contact their relatives and family members on the other side of the Line of Control, Department of Telecommunications will be setting up four Telecom Facilitation Centres at Srinagar, Jammu, Uri and Tangdhar respectively. These Centres will permit people in J&K, who have relatives in Muzaffarabad, to contact them on telephone, free of charge, for the next fortnight. This facility is being provided as a special case, on the directions of Prime Minister. The Centres are expected to be operational by October 19, 2005.

In Srinagar and Jammu, the Centre will be located near the Police Control Room, while in Uri and Tangdhar, they will be located adjacent to the Police Outpost. Those wishing to avail of this facility may please contact the Facilitation Centres for assistance.

made to New Delhi. It is being put across through you. The modalities of this need to be worked out...and we expect a response from the Indian side." It may be recalled that when quake hit most parts of Pakistan-occupied Kashmir, Prime Minister Manmohan Singh had called Pakistani President and offered assistance. Media quoted Indian officials in South Block to say that there was nothing "to react" as India was still awaiting the proposal made by Pakistani President in Muzaffarabad. On Monday October 17 the External Affairs Minister had reminded people that natural disaster had in fact brought home "to us in a most dramatic fashion how lines drawn upon the map mean so little when tragedy strikes." Mr. Singh stressed on the need to build on this "spirit of humanity and natural affinity", which bound the people of the two countries. The Minister's remarks came in a message on the occasion of the launch of a book on Pakistan. He said there had been a remarkable transformation in the public mood in both the countries witnessed in the outpouring of spontaneous sympathy and sense of solidarity between the peoples in the wake of the recent earthquake. On October 21 Chief of the Army Staff Gen. J.J. Singh told journalists that the army was ready to implement any decision of the Government on Pakistan's offer of free movement of Kashmiris across the Line of Control for earthquake relief. "The army has given its recommendations to the Government, and based on the response from the other side we are ready to implement whatever the Government decides," the General said.

It may be noted that telephone links with Pakistan and areas in PoK are already available in Jammu and Kashmir through the booking of regular trunk calls through the exchange.



230. Briefing points by Official Spokesperson on telecom links in earthquake affected areas.

New Delhi, October 19, 2005.

- India conveyed its readiness to assist in restoration of disrupted telecom infrastructure in areas affected by earthquake. Pakistan Foreign Office said that it was grateful for the offer and would revert to us if any specific assistance was required. It said that 40% of the telecom infrastructure disrupted had been restored. Problems which remain were of smaller branch lines which had broken. It also said that mobile/cellular phone companies had been given permission to operate in the area and these facilities were being set up.
- We had received a Note Verbale from Pakistan wanting to establish mobile telephone linkages across LOC. We have conveyed that communication linkages already exist through international satellite and sea cable networks. If Pakistan would like to establish direct optical fibre communication this could be best done at Attari-Wagah where the optical fibres of both countries are nearest.



231. Response of Official Spokesperson to questions on news reports from Pakistan that India has rejected its offer for movement across LOC.

New Delhi, October 20, 2005.

In response to questions the Official Spokesperson said:

We have seen news reports quoting the Pakistani Federal Relief Commissioner that India has rejected Pakistan's offer for movement across LOC. This is entirely baseless.

We had welcomed President Musharraf's offer but had said that we await suggestions for practical implementation of the offer. We have had no follow-up from the Pakistani side so far.¹



232. Media briefing by Official Spokesperson on setting up relief points at the Line of Control in Kashmir.

New Delhi, October 22, 2005.

Government has decided to set up composite relief and rehabilitation points at three places²: Kaman (near Aman Setu in Uri), Tithwal (Tangdhar) and Chakan da Bagh (Poonch), to provide facilities for medical assistance and relief to people from across the Line of Control. Arrangement is being made for providing relief material, medical aid, food, drinking water and temporary accommodation at these points. We expect that these centres will become operational from 25th of October. People from across the LoC will be permitted to come to these points after necessary screening during daylight hours and return after receiving medical treatment and relief.

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1. On October 25 the Home Minister Shivraj Patil said in Shimla "Irrespective of the expected terrorist infiltration at certain points on the Line of Control, India has no reservations about opening it on humanitarian grounds after the recent earthquake." Patil said that though all care would be taken for stopping terrorists, the country could not back out from the compassionate gesture that was required now.
 2. Meanwhile Pakistan gave India a fresh proposal for five crossing points at the LoC in order to facilitate relief and rehabilitation work in earthquake-affected areas. The Spokesman reacting said: "we will be examining these proposals carefully and expeditiously. It appears

Also, Indian nationals will be able to go to these points for meeting their relatives who may be coming from across the LoC.

So, this is the new development. This has been conveyed to Pakistan both here and in Islamabad and now we will await their response before going ahead with the implementation of setting up of these relief centres.

I may also use this opportunity to give you an update on the total relief assistance from India to Pakistan as on October 22 i.e. today. Medicines - 22 tonnes from official sources and from private sources as per the reports we have received 60 tonnes; Blankets - 16,550 from official sources and 88,000 from private sources; Tents - 620 from official sources and 20,000 from private sources; Quilts/Mattresses - 35,000 from private sources; Plastic sheets - 14 tonnes from official sources and 14 tonnes from private sources; Fortified biscuits - 100 tonnes from official sources; and in addition there have been a few hundred cartons of assorted items like pulses, rice, sugar and tea.

Question: Has this material been already delivered to Pakistan?

Answer: Yes.

Question: Is this unilateral? How do we convey it to them?

Answer: I just said that this has been conveyed to Pakistan both in Delhi and Islamabad. We will await their response and then set up the relief centres. How can we have a unilateral decision for getting people from POK across to India? Naturally, Pakistan has to agree. Setting up of the relief centers is our effort but it can only be implemented if we get a response that yes, people will be allowed to come across.

Question: So, is this expressly to reach out to people across the LoC?

Answer: Naturally, if you recall it follows from our original proposal of opening

to us that the proposals made by Pakistan can be reconciled with those that we ourselves had already made. As recommended by Pakistan, we are ready to engage in discussions between our two Foreign Offices on these modalities and reach an early decision. In the meantime, we are prepared to consider dispatch of relief materials and supplies to the quake affected areas through the three points we have designated and which match some of the points that Pakistan has indicated. We will discuss these arrangements with Pakistan as well." On October 26 Prime Minister Manmohan Singh when asked by journalists in New Delhi about possible delay on our side, said that "the delay is not on our side," in opening relief-cum-medical camps close to the Line of Control.

up of five points for meetings between divided families. These are three of those points which have special significance, given the fact of the earthquake and have been now set up as relief points and also as points of meeting of divided families, if this goes through.

Question: ...inaudible...(on relief assistance from India to Pakistan)...in respect of these three points have you been able to speak to your Pakistani counterparts. Has Delhi been able to see if these three points are acceptable to the Pakistani side?

Answer: As you have been following the progress of our relief assistance since the earthquake. It has been progressing in stages. Immediately we had said that whatever assistance is required... we had waited for an indication as to what kind of assistance was acceptable. Then the train consignments and the plane consignment had been sent. Now, this is another proposal for putting into effect the policy of greater movement across the LoC so you have people-to-people contacts and finding ways and means, which are acceptable for giving relief to the earthquake affected people. We have made this proposal. This has been conveyed to Pakistan and we are ready to have it operational by October 25th. Naturally, it would depend upon the response from Pakistan.

Question: People who would be coming for medical assistance, they cannot stay overnight?

Answer: That is the idea that they will get relief and assistance and they would go back. There would be crossover during daylight hours. This is not specified here as to when they will go back. Naturally, they would go back after they have received medical relief assistance. **{Later, the Spokesperson clarified that they can stay overnight.}**

Question: Screening will also include documentation?

Answer: There would be appropriate screening to show that people who are coming across are those who are genuinely affected by the earthquake and genuine residents of that area.

Question: Just a clarification, they would not necessarily go back on the same day?

Answer: From the brief that I have it seems that they should come during

daylight hours and naturally they would go back after receiving treatment and relief. If that happens the same day they would go back the same day. If there are cases which would require longer stay we would have to see how arrangements can be made for that.

Question: Defence Ministry is on record saying that Pakistan does not seem to be ... on its proposal of across the border cooperation. Does MEA have anything to say on that?

Answer: I do not think you should see this as a Defence Ministry or MEA thing. Government of India has welcomed President Musharraf's proposal for greater movement across the LoC, for movement of civilians. We had welcomed it immediately. We have said that we are waiting for practical suggestions for implementing that proposal. That is a proposal, which has been in line with our policy of closer people-to-people contact across the LoC. This is a follow up from our side. This is a continuous development of the policy of suggestions to see how we can quickly reach out to the earthquake affected people. Naturally, this can only happen with the agreement of both Governments.

Question: India has said that it is waiting for a formal proposal from Pakistan. Have you received that?

Answer: No.

Question: What would be the criteria for checking of the papers of...

Answer: These are details, which will be worked out. This is a proposal, which has just been made today. Let us see what the response is. You have to keep your eye on the ball here. The issue here is that there are lots of people who have been affected badly by the earthquake who need relief and assistance, who need medical assistance. This is a proposal aimed to alleviate their suffering.

Question: Are these three places easily accessible from across the border?

Answer: These are places, which were earlier proposed as points for (meeting of) divided families. These are places, which have been chosen for access and their proximity to the area of impact of the earthquake.

Question: Only Kashmiris will be allowed...

Answer: I have said those people who have been affected by the earthquake who are obviously residents of that area.

Question: By 25th of October these will be ready?

Answer: Yes, they are set to be ready and operational by 25th but we would await for response from the Pakistani side.

Question: Musharraf said that only Kashmiris would be allowed to cross over so is this an advance...

Answer: This is not anybody crossing over from the Indian side. Maybe you have not got the impact of what I am saying. I am saying these are people coming from across the LoC to our medical (camps). Indian nationals can go there to meet members of divided families. This proposal is to set up relief camps on the Indian side of the LoC.

Question: You have conveyed this decision despite Pakistan not yet giving a firm proposal?

Answer: I think I am not being able to make myself clear. Pakistan has made a general proposal. We have welcomed it and asked for practical implementation. We have made a specific proposal regarding setting up relief centres. This cannot become operational unless Pakistan also responds.

Question: Do the figures given by you for private relief assistance also include ICRC contributions?

Answer: Private sources as reported by private entities.

Question: ICRC has sent a huge consignment. Is it included in the private aid?

Answer: That is international aid. I am talking of Indian private entities.

Question: About the documentation, it needs to be clarified...(inaudible)...

Answer: Naturally, the real situation on the ground will definitely be taken into consideration. The aim, as I said, is from a humanitarian impulse to extend humanitarian aid.

(Later the Official Spokesperson added that *“those NGOs and other*

Indian relief organizations who want to send relief material to Pakistan are advised to first contact the Pakistan High Commission for clearance. After that they may contact Pakistan, Afghanistan, Iran Division of Ministry of External Affairs. This Division would then facilitate customs clearance and other formalities for transportation of these goods across the Attari-Wagah border.)



233. Statement by Official Spokesperson on the situation in Gilgit and Baltistan.

New Delhi, October 25, 2005.

Question: There is a curfew in Gilgit and there are reports that Pakistani forces are acting against the local population. Any comment on that?

Answer: Yes, we have noted with concern reports in the Pakistan media about a curfew being imposed in Gilgit and action taken by Pakistani forces against the people in that region. There is a history of sectarian conflict in Gilgit and Baltistan regions of Jammu and Kashmir and of severe repressive measures being taken against legitimate protests and demonstrations. We hope that Pakistani forces will act with utmost restraint and observe international human rights standards. We will keep the situation under close watch¹.



1. This was one of the few occasions when India had spoken out on what it believed was an issue of human rights on the Pakistani side of the LoC. In the "clashes" between the Pakistani forces and Shia students at least 10 persons including two security personnel were killed. According to media reports as people of Pakistan occupied Kashmir grappled with the tragedy caused by the earthquake, Gilgit was reeling under sectarian trouble. The area, which was under curfew was given relaxation for eight hours on October 24 following some improvement in the situation. The curfew was eased 11 days after tension gripped the town in the wake of the clashes between the security forces and students on October 13. The media reports said that the security forces had set up pickets to monitor the situation. There was a cautious movement in traffic as people came out to buy daily necessities. Gilgit had witnessed several incidents of sectarian violence since the beginning of 2005. In June three persons were killed in the town as security forces opened fire on a vehicle violating curfew.

234. Media briefing by Official Spokesperson on the offer of assistance by the Government of India to Pakistan for relief and rehabilitation of earthquake victims.

New Delhi, October 27, 2005.

I would like to announce that the Government of India has offered an assistance of USD 25 million to Pakistan for relief and rehabilitation of earthquake victims. This was announced by Shri Oscar Fernandes, Minister of State for Statistics and Programme implementation who represented India in a meeting for earthquake relief to Pakistan organized by the UN Office of the Coordinator for Humanitarian Affairs at Geneva. The Government of Pakistan would be welcome to use this contribution for rebuilding homes and rehabilitating people, reconstructing the infrastructure and restoring essential services. It may also procure supplies of building material such as cement, steel and other items from India. The Indian technology for prefabricated earthquake resistant shelters will be also be made available for Pakistan.



235. Joint statement issued at the end of official talks on the opening of crossing points on the Line of Control.

Islamabad, October 29, 2005.

The delegations of Pakistan and India met on 29 October 2005, to discuss the proposal made by the President of Pakistan in the wake of the earthquake of 8 October 2005 regarding the opening of crossing points across the LoC. The Pakistan delegation was headed by Syed Ibne Abbas, Director General (South Asia), Ministry of Foreign Affairs. The Indian delegation was led by Mr. Dilip Sinha, Joint Secretary (PAI), Ministry of External Affairs. The meeting was held in a cordial and constructive atmosphere.

2. The Pakistan side expressed its appreciation for the assistance provided by India for the earthquake victims.
3. The two sides agreed to open crossings at five points across the LoC which are listed below:

- Nauseri-Tithwal
- Chakoti-Uri
- Hajjpir-Uri
- Rawalakot-Poonch
- Tattapani-Mendhar

4. It was agreed that because of non-availability of or damage to infrastructure on these points, crossings across the LoC would be permitted on foot. The parameters and procedures as already agreed upon between the two sides being used for the Muzaffarabad-Srinagar bus service would be used for the above additional crossings and both will endeavour to expedite the clearance process preferably within ten days. It was further agreed that priority for crossings would be accorded to members of divided families on either side of LoC.

5. For relief, rehabilitation and reconstruction purposes, it was agreed that with prior information and acceptance and depending on feasibility, relief items can be sent in either direction and handed-over to local authorities on the aforementioned crossing points.

6. The two sides agreed on operationalization of the arrangements on 7 November 2005 as a humanitarian measure¹.



1. The agreement to open five points on the Line of Control (LOC) in order to provide relief and medical assistance to quake victims was widely acclaimed in J & K as a genuine humanitarian gesture by the two countries. "It is a good step" said Hurriyat leader Mirwaiz Umar Farooq. Ms. Mehbooba Mufti, Chairperson of the ruling People's Democratic Party said such steps were imperative for taking the process of restoration of peace and reconciliation forward. "I am very happy that it is happening. It was very much needed," she said adding "this is the beginning. We'll have to go a long way before the dream of oneness, harmony and affinity is translated into reality." On November 5, the Spokesperson Sarna told a media briefing that the necessary work to operationalize the five points was under way. He said that the crossing point at Chakan da Bagh (Poonch) would be operationalized on November 7, at Kaman (Uri) on November 9 and Tithwal (Tangdhar) on November 10, 2005. He clarified that due to non-availability or damage to infrastructure at the above crossing points, crossing would be permitted on foot.

236. Telephonic conversation between Prime Minister Manmohan Singh and Pakistan President General Musharraf.**New Delhi, October 31, 2005.**

The Prime Minister received a phone call from General Musharraf this evening. The Pakistan President offered condolences for those who lost their lives in the terrorist bombings¹ in Delhi on October 29 and the railway accident in Andhra Pradesh. The Prime Minister told the President of Pakistan that the country was outraged at these heinous acts of terrorism. Violence against defenceless civilians can never be justified the Prime Minister said, and terrorism would never weaken India's resolve, or our commitment to the country's unity and territorial integrity. The Prime Minister again drew the President's attention to Pakistan's commitment to ending cross- border terrorism and said that we continue to be disturbed and dismayed at indications of the external linkages of terrorist groups with the October 29 bombing, and said India expects Pakistan to act against terrorism directed at India.²

**237. Response of Official Spokesperson to questions on an incident involving a Pakistani diplomat.****New Delhi, November 3, 2005.**

In response to questions on an incident involving a Pakistani diplomat on October 30, 2005 the Official Spokesperson said:

On 30 October at 2200 hours, Mohd Nadeem, the domestic help of Mr. Moazzam Ahmad Khan, Counsellor, Pakistan High Commission went shopping at Sunday Bazar, Sector 7, R.K.Puram. He gave a thousand rupee note to a chhole-bhature vendor who wanted to make sure that it were

1. On October 29 on the eve of an important Indian festival of Deepavali in a series of bomb blasts in crowded market places and in a public transport bus, atleast seventy persons were killed.
2. Similar messages of sympathy and condolences were also received by the External Affairs Minister from Pakistani Foreign Minister and Foreign Ministers of many other countries including Foreign Secretary Jack Straw and Foreign Ministers of South Africa and Canada.

genuine. At this, Mohd. Nadeem vociferously stated that he was from Pakistan High Commission and that the note was genuine. His statement that he was a Pakistani attracted the attention of passers-by and neighbouring vendors and a crowd collected, this being just a day after serial blasts. A police patrol party also reached the scene.

Nadeem introduced himself to the police as a driver of the Pakistan High Commission but could not produce any identity papers. The police then called Mr. Moazzam Ahmad Khan who came but also did not produce any identity papers either for himself or for his domestic help. The police requested Mr. Moazzam Ahmad Khan to get his identity papers and meanwhile took Mohd. Nadeem to the police station at Sector 12, RK Puram.

At 2300 hours, Mr. Moazzam Ahmad Khan returned with his and his domestic help's ID cards. He was allowed to take Mr. Mohd. Nadeem with him. The police officers behaved courteously with both Pakistani diplomat and his domestic help. Before leaving, Mr. Moazzam Ahmad Khan thanked the SHO for his cooperation¹.



238. Press release of the Ministry of External Affairs announcing Government of India's sanction for free medical treatment of 20 Pakistani child-patients.

New Delhi, November 3, 2005.

Government of India has sanctioned free medical treatment of another batch of 20 Pakistani children-patients. This will bring the total number of Pakistani children receiving free treatment in India to 60. This scheme is being implemented through our High Commission in Islamabad. It has enabled needy and seriously ill children in Pakistan to get quality medical treatment free of cost in India. Under this scheme, Government pays the air fare and accommodation for the child and one guardian. Of these, 48 children were heart patients who were treated at Narayana Hrudayalaya Hospital, Bangalore and Escorts Hospital, New Delhi.



1. Please also see Document No. 240.

239. Media briefing by Official Spokesperson on reports of large numbers of people trying to reach the Indian relief camp at Poonch in Jammu and Kashmir for relief supplies.

New Delhi, November 7, 2005.

In response to questions on reports of large numbers of people trying to reach the Indian relief camp at Poonch the Official Spokesperson said:

We have seen reports of large numbers of people trying to reach the Indian relief camp at Poonch, after the crossing point at the LOC was opened this morning at Chakan da Bagh.¹ The Pakistan authorities reportedly had to use force to prevent them from crossing the LOC. We understand the sentiments of the people who had gathered at the LOC and their desire to meet their relatives and avail of or offer relief to one another. The Government of India has already declared its willingness to facilitate meetings of divided families at the 5 designated point at the LOC.

It may be recalled that India and Pakistan had agreed, on October 29, 2005, for 5 crossing points to be operationalised along the LOC and using the same procedures as are applicable for the Srinagar-Muzaffarabad bus service.



1. This was the first point along the Line of Control in Jammu and Kashmir for earthquake relief. As many as 25 truck loads of rice and other eatables and medicines besides three thousand tents and an equal number of tarpaulins had arrived at Chakana da Bagh for distribution among the quake survivors in Pakistan-occupied Kashmir. The second point on the LoC opened on November 9. A field hospital was also set up at this point.

240. Press statement regarding alleged abduction of a dependent of an official of Pakistan High Commission in New Delhi.

New Delhi, November 9, 2005.

At noon today Pakistan High Commission lodged a protest with this Ministry alleging the abduction of Mr. Roshan Ali, the son of a staff member of the Pakistan High Commission, Mr. Ashgar Ali. At the same time Pakistan Foreign Office also summoned India's Acting High Commissioner in Islamabad and lodged a similar protest. According to Pakistan High Commission the details of this incident are as follows:

Mr. Roshan Ali, a student of NIIT, South Extension "was abducted by some unknown people travelling in a vehicle as soon as he left the NIIT around 1715 hours on November 8, 2005. His abductors put a mask on his face rendering him unconscious. When he regained his consciousness, he found himself blind-folded in a room. On his shouting aloud after regaining consciousness one masked person entered the room, removed his blind and took him to an adjacent room where two other masked persons were already present. According to the boy, three dead-bodies with fresh blood on their clothes were lying on the ground in this room. As soon as Roshan Ali entered the room, his abductors smeared blood from the dead bodies on his hands and forced him to hold a large knife in his hands. His tormentors then took his photographs in different poses with the dead-bodies

"After the photographic session, Roshan Ali was again blind-folded and ear-plugs placed in his ears to impair his hearing. The abductors then drove him in the vehicle for a long time before throwing him on the road side near India Gate in the wee hours of November 9, 2005. The boy's school bag, pocket money, wrist watch and college identity card bearing photograph with High Commission address were retained by abductors.

"Before pushing him out of the vehicle, the abductors also stuffed a hand-written letter in Hindi in Roshan Ali's front pocket. The letter is couched in an extremely threatening language warning that he should be sent out of Delhi within five days otherwise he would be eliminated.

The letter openly professes that the abductors were in possession of Roshan Ali's photographs which can lead him to gallows. It is an obvious reference to the photographs taken with the dead bodies under duress and sedation."

According to Pakistan High Commission Mr. Roshan Ali returned to the Mission at 0230 hours in the morning *"in a dazed and tramautized state"*.

Pakistan High Commission also informed Chanakyapuri Police Station of the missing boy around midnight and faxed note verbale to MEA at 0321 hrs.

The Police Station immediately launched a search for the boy and alerted mobile police vans and made enquiries at hospitals. Today the matter was investigated by the police, which has discovered that the note in Hindi alleged to have been stuffed in Roshan Ali's pocket was actually written the same day at NIIT by his colleague, an Indian student Rahul Sharma. Rahul Sharma has acknowledged that he wrote the note at Roshan Ali's request and as dictated by him. According to Rahul Sharma, Roshan Ali said that he would use the note to scare some of his Pakistani friends. Rahul Sharma also stated that he accompanied Roshan Ali from NIIT to the South Extension Part I subway where they parted ways.

Police investigation also reveals that there was no report of any incident of the kind alleged by Roshan Ali outside NIIT around 1715 hours on 8 November. This is a crowded area where an incident of this kind is unlikely to go unnoticed.

It is also surprising that Pakistan High Commission faxed a note verbale to the Ministry at 0321 hrs on 9 November stating that Roshan Ali was still to return when according to their own admission, he had reached the Mission at 0230 hrs.

PTV also carried a report on the alleged abduction early morning on 9 November stating that Pakistan had lodged a protest. The protest was actually lodged some hours later.

Rahul Sharma's statement and the absence of any corroborative report on the alleged abduction clearly establishes that Roshan Ali's story is fabricated. The rush to publicise the allegation in the media in Pakistan is an unfortunate attempt to sensationalise it without proper investigation.

The matter is being further investigated by the police which has requested Pakistan High Commission for interrogating Mr. Roshan Ali.



241. Media briefing by Official Spokesperson on earthquake relief material sent to Pakistan, visit of Minister of State E. Ahamed to Pakistan and schedule of opening of crossing points on Line of Control.

New Delhi, November 17, 2005.

Official Spokesperson: ...the third relief train was dispatched this morning carrying relief materials for Pakistan. This train which has 27 wagons is carrying 600 tonnes of relief material.¹ This added together with the other relief material sent by the two trains, one aircraft and 45 trucks across the LOC, (makes) the total amount of material that has been sent by the Government to 1300 tonnes. In addition, private entities have been facilitated in sending relief material to Pakistan. To complete the picture, as you recall, India had pledged USD 25 million to Pakistan at the International Donors' Conference which was held at Geneva on October 26.

On November 19, Government of Pakistan is holding an international conference to request funding for the long term task of rehabilitation and reconstruction efforts in the areas affected by the earthquake. Government of India will be represented by the Minister of State for External Affairs Shri E. Ahamed. He will be leaving tomorrow for Pakistan.

As regards the opening of the crossing points on which there seems to be some amount of confusion and back and forth. I thought it best if we tell you that the schedule for the five (crossing) points (on LOC) which are being opened. This will be for the purposes of relief material and for the crossing of people whose names have been approved. These dates have been agreed to by Pakistan. These are:

1. The material consisted of snow tents, snow sleeping bags, blankets, essential medicines and medical equipment including injections such as pethidine for pain and X-ray machines among others.

Tithwal-Nauseri (Saturdays): 19 & 26 November and 3 & 10 December

Poonch-Rawalakot (Mondays): 21 November & 5 December

Mendhar-Tattapani (Mondays): 28 November & 12 December

Uri-Chakoti (Thursdays) : 17 November & 1 December

Uri-Hajipur (Thursdays) : 24 November & 8 December

* * * *

Question: On the one hand Government of India has sent 1300 tonnes of relief to Pakistan. Government of India has also pledged 25 million dollars. On the other hand you have a spurt in terrorist activities in Jammu and Kashmir. What is our reaction to this spurt in terrorism with the spurt in our sending relief? Secondly, has this issue been raised with Pakistan and at what level since in the past three days there have been an equal number of terrorist attacks in Jammu and Kashmir?

Answer: As you know, India had pledged its assistance immediately after the earthquake which was seen as a tragedy for the people of South Asia. India had offered whatever assistance Pakistan would wish us to send. A few days later some elements of this assistance which was required were identified and these were sent immediately by aircraft which you recall was 22 tonnes. This was followed by a gradual increase as the infrastructure improved, as the need for the relief was identified and conveyed, as the points were agreed upon, as the points opened. So, from 22 tonnes on the second or third day you have 1300 tonnes. This has been a gradual build up of relief. While the first train carried, I think, 70 or 80 tonnes, today's train carries 600 tonnes. I would not call this a sudden spurt or a sudden increase. This has been a gradual build up as the needs have been identified, as the materials have been collected, as the conveyance has been facilitated.

As far as terrorism is concerned India's position on terrorism is well known. There is zero tolerance for terrorism and that must be reiterated and that has been reiterated in all places including during the SAARC Conference, in the press conference as well as the briefings on bilateral meetings.

Question: Will Mr. Ahamed take up this issue during his visit on Pakistan?

Answer: Mr. Ahamed is going there to attend the Pledging Conference. That is the main purpose of the visit. As to what is the content of any bilateral engagement that may take place, I can only tell you after, and if and when, such an engagement takes place.

Question: There have also been reports in the Pakistani media that the earthquake has come as a blessing in disguise for the LeT and they have increased efforts of relief and in the process they are making jihadis out of quake victims. Has this matter been taken up with the Pakistan Government?

Answer: I do not want to react on press reports - whatever news reports you are referring to - nor are these matters taken up on the basis of press reports. Naturally, if there is any concern that there is terrorism, there we have already made it clear at every stage that the entire bilateral peace process or the dialogue process which began with the January 6 Statement is based on the premise that Pakistan will not allow territory under its control to be used for any terrorism. That is the basic premise on which this entire confidence building exercise, the dialogue, has taken place.

Question: What is the stand of India on the Iran vote in the light of the stiff opposition from the Left parties?

Answer: I would only best refer you to the Prime Minister's statement at the end-of-the visit conference at SAARC.



242. Statement by Minister of State E. Ahamed at the conference organised by Pakistan for funding Rehabilitation & Reconstruction Work in earthquake affected South Asia.

Islamabad, November 19, 2005.

It is about one and a half months since the devastating earthquake hit the northern parts of South Asia. Pakistan has suffered widespread destruction in this natural calamity, the worst in its history. While natural calamities may be beyond our control, their effects can be mitigated through

prompt and effective assistance by the international community. It is in this spirit that India is taking part in this conference. More significantly, as a neighbour, India recognizes its special responsibility in contributing to this global effort to extend its support and aid to Pakistan in its hour of need. The collective response to the appeal for assistance today will be a demonstration of the consciousness of the international community of its responsibility during such calamities and its solidarity with the affected nation.

I would like to take this opportunity to give in brief the assistance India has extended till date. The Prime Minister of India, Dr. Manmohan Singh, spoke with President Musharraf on the day of the quake to offer condolences and assistance. So far about 1300 tonnes of relief goods have been sent to Pakistan by one aircraft, three trains and over 45 trucks. The relief items have included blankets, sleeping bags, tents including snow tents, medicines including vaccines, fortified biscuits, X-Ray machines, rice & pulses. This official assistance has been further supplemented by donations from private organizations.

The Pakistan High Commission in New Delhi has been allowed to open a bank account to receive donations from Indians who wish to contribute to the relief effort. We are permitting Pakistani helicopters to fly in the 'no-fly zone' along the Line of Control to enable them access their villages close to the Line of Control. We installed special telephone call centers to enable families from J&K to talk to their families and friends across the Line of Control free of charge. Foreign organizations are also being allowed to source supplies from India. India has also made offers of helicopters, relief camps, cross- LoC relief operations, medical relief teams and repair of telecom infrastructure. Besides, India and Pakistan have agreed to open 5 crossing points on the LoC for the movement of the people and relief material. We are also prepared to permit meetings of divided families and relatives at these 5 points.

May I also reaffirm India's pledge of US \$ 25 million made at the International Conference at Geneva organised by the UN Emergency Relief Coordinator on 26 October, 2005. Mr. Oscar Fernandes, India's Minister of State for Statistics and Programme Implementation, had represented India at that conference. The Government of Pakistan would be welcome to use this fund for sourcing supplies from India. It is our wish that India's contribution should be particularly used for rebuilding of schools and hospitals and for

rebuilding houses for affected people. The technology available in India for prefabricated earthquake resistant shelters can also be sourced from this fund.

We have seen the report on 'Preliminary Damage and Needs Assessment' prepared by the Asian Development Bank and the World Bank. I would like to convey the willingness of the Government of India to take up specific projects in sectors such as education and health where India has wide experience and considerable expertise. Besides, the cultural, administrative and technological compatibility with the needs of Pakistan in these areas make us ideal partners to undertake these projects. We look forward to identifying such projects in consultation with the Government of Pakistan.

India too was rocked by the earthquake; about 1300 lives were lost. Rescue and relief efforts have been immediately put in place by the Government of the State of Jammu & Kashmir with full material, moral and financial support of the Government of India. The Prime Minister of India visited the affected areas, met the people & local authorities and ensured that relief efforts were launched and sustained on a massive scale. No effort is being spared to make sure that shelter is provided to all the affected before winter sets in. Our armed forces have rendered commendable services in relief and rescue effort even as they themselves suffered casualties in the earthquake.

On behalf of the Government and people of India, I wish to express our heartfelt gratitude to friendly governments, international organisations and NGOs who have contributed generously to the relief effort in Jammu & Kashmir. We particularly appreciate the relief material sent by the Government of Pakistan across the LoC. This generosity is all the more appreciated in view of the tragedy that Pakistan itself has suffered.

It is very encouraging for us to see that people in both countries have come forward to help the victims of this tragedy and have contributed whole-heartedly for their relief. This spontaneous outpouring of sympathy and goodwill for the victims of earthquake gives us the strength and motivation to work for greater people-to-people contact and confidence building measures between our two countries.

President Musharraf in his speech has made a reference to the issue of J & K. Our position in this regard is well-known. We have stated that India

is prepared to resolve all issues between India and Pakistan, including the issue of J&K through dialogue between the two countries in an atmosphere free from terrorism and violence¹.

I would like to conclude by saying that my Government has specifically sent me here to offer our full support to the Government of Pakistan and people affected by the earthquake in rehabilitation and reconstruction efforts. I once again reaffirm our full cooperation and support to these efforts that are being mobilized world-wide.



243. Response of Official Spokesperson to questions on Pakistan Foreign Ministry spokesperson's remarks about self governance on both sides of the Line of Control.

New Delhi, November 21, 2005.

During the meeting between PM Dr. Manmohan Singh and PM of Pak Shaukat Aziz in Dhaka the latter had conveyed that in seeking a resolution on the Jammu and Kashmir issue the two countries could inter alia explore ideas such as self governance and demilitarisation. No proposal regarding so-called "self governance" was provided to which a response was expected².

Our PM had conveyed that J&K already enjoyed autonomy under the Indian constitution and had in place a popular government elected through free and fair elections. However, there was clearly a lack of autonomy in POK and there had been no popular elections in Gilgit and Baltistan to determine the wishes and aspirations of the people.

1. MOS was responding to President Musharraf's remarks at the inauguration of the conference that India's donation could be the resolution of Kashmir issue in the context of the earthquake.
2. The Spokesperson was referring to his Pakistani counterpart's remarks to journalists in Islamabad that the Pakistani Prime Minister had during the course of his meeting with Prime Minister Manmohan Singh in Dhaka mooted the idea of "self-governance and demilitarization" on both sides of the LOC. However, despite repeated queries of journalists, Pakistani Spokesperson did not and could not give any details of the said proposal. According to media reports when the Minister of State E. Ahamed called on Pakistani Prime Minister during his visit to Islamabad in connection with the donors' conference for quake relief, Aziz again referred to his undefined proposal, which left India wondering how to react in vacuum.

PM had also reiterated that there would be no question of redeployment of security forces by India while cross border terrorism and infiltration continued and there was no cessation of acts of terrorist violence¹.



244. Briefing points by Official Spokesperson on the travel of six Pakistani nationals back to Pakistan.

New Delhi, November 24, 2005.

- Six Pakistani nationals, who travelled to India on Muzaffarabad-Srinagar Bus Service, have left Srinagar this morning by bus and expected to reach Attari-Wagah border tomorrow (25 November 2005) before noon.
- It may be recalled that 41 Pakistani nationals who travelled to India have been stranded due to the disruption and dislocation caused by the earthquake. The travel of 25 of them back to Pakistan has already been facilitated and with these 6 passengers the number of Pakistani nationals repatriated so far would come to thirty one. The remaining 10 passengers have indicated their willingness to travel at a later date.
- The State Government of Jammu & Kashmir, in coordination with the Government of India, arranged special buses to carry the stranded Pakistani nationals via Attari- Wagah as they were unwilling

1. The Foreign Secretary Shyam Saran had told the media in Dhaka on November 12, after PM's meeting with his Pakistani counterpart that India could not undertake demilitarization or redeployment of forces unless there was an end to cross border terrorism and infiltration. Foreign Secretary said PM made it clear to Shaukat Aziz that incidents like the terrorist attacks in New Delhi the previous month impacted public opinion in India and the Government thinking. Foreign Secretary said that eventual redeployment of forces should not be restricted to Line of Control. The idea should be to take away forces all along the International Border in the search for a broader peace. This was the first meeting between the two prime ministers since the October 8 earthquake. They agreed to cut down the time taken to process the applications for people to cross the LOC at designated points to 10 days. The Prime Minister assured Aziz that India was willing to send further consignments of relief material to assist the quake victims by rail and road.

to travel across LoC because of long trekking involved owing to the damaged state of the roads.



245. Joint Statement issued at the end of the 7th Round of Director General Level Talks between the Counter Narcotics Agencies of Pakistan and India.

Rawalpindi, December 2, 2005.

The seventh round of Director General Level Talks between the Counter Narcotics Agencies of Pakistan and India was held at Rawalpindi on 1-2 December 2005. The Pakistan Delegation was led by Major General Syed Khalid Amir Jaffery, Director General, Anti Narcotics Force, Government of Pakistan and the Indian delegation was led by Mr. K.C. Verma, Director General, Narcotics Control Bureau, Government of India.

The talks were held in a cordial atmosphere. The two sides recognized the efforts of both the countries in fighting drug trafficking and appreciated the need for furthering their efforts through enhanced mutual co-operation. Detailed discussions took place on drug supply and demand reduction. There was convergence of views on issues of mutual concern and the two sides reaffirmed their resolve for regular exchange of information on drug related issues. Realizing the region's sensitivity to transit-trafficking of drugs, both sides emphasized their deep commitment for forging closer co-operation between their Drug Law Enforcement Agencies.

To enhance co-operation between the two countries and to give proper direction and substance to this co-operation, a draft Memorandum of Understanding was discussed and agreed upon, in principle, for signature on a mutually convenient date shortly.

The leader of the Indian delegation paid a courtesy call on the Hon'ble Minister for Narcotics Control Mr. Ghous Bux Khan Maher. Mr. K.C. Verma thanked the Government of Pakistan for extending a warm welcome to him and his delegation.

The two sides agreed to continue these talks in future as well.



246. Response of Official Spokesperson to a question regarding reference to Jammu and Kashmir in Organisation of Islamic Conference's final communique.

New Delhi, December 16, 2005.

We are surprised that the Organisation of Islamic Conference (OIC) in its 3rd Extraordinary Session of the Islamic Summit Conference held in Mecca from December 7-8, 2005 should have made references on Jammu & Kashmir, an integral part of the Indian Union, in its final communique¹. We have consistently maintained that the OIC has no locus standi to comment on the matters concerning India's internal affairs, and we completely reject all such references.



247. Joint statement issued at the end of India-Pakistan discussions on Sir Creek.

New Delhi, December 21, 2005.

In pursuance of the understanding reached during the Foreign Minister level meeting in Islamabad on October 3-4, 2005, the Indian and Pakistani delegations met in New Delhi on 20-21 December, 2005 to formulate the terms of reference for carrying out the Joint Survey of the Sir Creek.

The Indian delegation was led by Brig. Girish Kumar, Deputy Surveyor General, and the Pakistani delegation was led by Maj. Gen. Jamil-ur-Rehman Afridi, Surveyor General of Pakistan.

1 The 57-member OIC in its communique, issued after two-day deliberations in Mecca attended among others by the Pakistani President Pervez Musharraf had "extended" its full support to the "inalienable rights" of the people of Jammu and Kashmir for "self-determination" in accordance with the UN resolutions. It may be recalled that in his speech at the conference the Pakistani President had raised the issue of Kashmir and had said "failure to resolve Kashmir and Palestine issues led to desperation, confusion and extremism" and asked the Islamic countries to ban extremist groups.

The two sides held constructive and fruitful discussions. They will report to their respective governments on the discussions.



248. Joint statement issued at the end of the Third Round of India-Pakistan Technical Level Talks for Operationalisation of Amritsar-Lahore and Amritsar – Nankana Sahib Bus Services.

Lahore, December 21, 2005.

The third round of the India-Pakistan Technical level Talks for operationalisation of the Amritsar-Lahore and Amritsar – Nankana Sahib Bus services was held in Lahore on December 20-21, 2005. The Pakistan delegation was led by Mr. Mohammad Abbas, Additional Secretary, Ministry of Communications and the Indian delegation was led by Mr. Saroj Kumar Dash, Joint Secretary (Transport), Department of Road Transport & Highways.

2. Both sides signed the Agreement for the operationalisation of Bus Service between Amritsar and Nankana Sahib today. It was decided that the trial run would take place from Amritsar on January 27, 2006 and from Nankana Sahib on January 29, 2006. Regular operation of the bus service would commence within a month from the trial run. The one-way fare would be Pakistani Rs. 1200/- and Indian Rs. 1000/-.

3. The Agreement for the operationalisation of Bus Service between Amritsar and Lahore, which was finalized during the second round of Technical level Talks held in New Delhi in September 2005¹, was also signed today. It was decided that this bus service would commence on January 20, 2006 from Lahore to Amritsar and on January 24, 2006 from Amritsar to Lahore. The Indian bus would ply from Amritsar to Lahore on every Tuesday

1. See Document No. 211.

and return on Wednesday. The Pakistani bus would ply from Lahore to Amritsar on every Friday and return on Saturday. The one-way fare would be Pakistani Rs. 900/- and Indian Rs. 750/-.

4 The meeting was held in a friendly and cordial atmosphere.



249. Media briefing by Official Spokesperson on India's decision to release eight Pakistani prisoners.

New Delhi, December 22, 2005.

- Government of India has decided to release and repatriate to Pakistan eight Pakistani prisoners on 26th December 2005 via Attari border. Earlier in November 2005, India released 26 Pakistani prisoners.
- With this release on 26th December 2005, the total number of Pakistani prisoners released during the calendar year 2005 will be 159.



250. Reaction of Official Spokesperson to a question on unrest in Balochistan (Pakistan).

New Delhi, December 27, 2005.

In response to a question on Balochistan the Official Spokesperson said:

The Government of India has been watching with concern the spiralling violence in Balochistan and the heavy military action, including the use of helicopter gunships and jet fighters by the Government of Pakistan to quell it. We hope that the Government of Pakistan will exercise restraint

and take recourse to peaceful discussions to address the grievances of the people of Balochistan.¹



The Spokesman was reacting to Pakistan's own media reports of large scale Baluch protests in Pakistan and disproportionate use of violence by the Pakistani army which killed according to reports "dozens of people". According to reports more than 50 people had been killed and more than 100 injured in Balochistan violence. When the journalists asked Navtej Sarna to react to Pakistani charge of describing Indian reaction as "interference" in Pakistan's internal affairs, he refused to be drawn into any controversy on this issue and said, "I think I have made the point I had to." However on December 30 an unnamed official source briefing the media denied there was anything untoward or provocative in the External Affairs Ministry's recent statement on the situation in Balochistan. "There is a certain serious situation that has been developing in Balochistan and when (the Government was) asked for its views, (it) gave a restrained answer."

Once again on January 1, 2006 official sources were at pains to clarify that notwithstanding Pakistan President Pervez Musharraf terming as "intriguing" India's comments on Balochistan, there was nothing wrong in reacting to the "serious situation" in the neighbouring country, particularly when it waves "red rags" at India virtually on daily basis. India insisted that the statement by the MEA spokesperson was "nothing unusual or extraordinary". "Why there should be inhibition on our side to say something on what is happening in our neighbourhood? A serious situation has been developing in Balochistan and when a reaction was sought, MEA spokesperson gave it," a senior government official said responding to Pakistan's objection. New Delhi insisted that the reaction it gave was "quite restrained and reasonable" and did not mark any departure from its policy on Pakistan. Officials in New Delhi said India's comment on happenings in Balochistan was not unjustified since Pakistan also keeps on talking about the situation in Jammu and Kashmir although "no human rights violations" are taking place there from the government side unlike in Balochistan.

SRI LANKA

251. Press release of Ministry of External Affairs on the working visit of Foreign Minister of Sri Lanka Lakshman Kadirgamar.

New Delhi, February 24, 2005.

H.E. Mr Lakshman Kadirgamar, Minister of Foreign Affairs of Sri Lanka, will be on a working visit to India on February 24-26, 2005 at the invitation of External Affairs Minister.

India-Sri Lanka relations have seen significant progress in the recent past. Political relations are close, trade and investments have increased dramatically, infrastructural linkages are expanding, and there is a general, broad-based improvement across all sectors of bilateral cooperation.

The importance attached to our relations is evident from the fact that following the tsunami of December 26, 2004 India made every effort possible within its means to assist Sri Lanka in its hour of need despite suffering grievously itself. A composite relief package of Rs 100 crore was announced for Sri Lanka and was followed by a massive relief effort in which India deployed an air detachment of 10 aircraft for three weeks and sent about 15 naval ship-loads of supplies, fifteen medical teams, a mobile field hospital (140 men) that was airlifted, specialist doctors, a 45-bed hospital ship, 10 teams of naval divers and a 81-member composite Army disaster management team¹.

The economic dynamism of the relationship is manifest in the success of the Indian Sri Lankan Free Trade Agreement. Bilateral trade has more than doubled after the FTA was signed and exceeded US \$ 1.5 billion dollars in 2003-4. India was the largest investor in Sri Lanka in 2002 and 2003.

Discussions on a Comprehensive Economic Partnership Agreement

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1. Foreign Minister Kadirgamar who came as a Special Envoy to thank New Delhi and the people of India for the post- Tsunami assistance was effusive in his praise for the assistance extended by India to Sri Lanka in the wake of Tsunami disaster at his press conference in New Delhi on February 26. When he met the Prime Minister he handed over a personal letter from President Chandrika Kumaratunga thanking India for her help.

to further deepen and widen the relationship have made substantial progress. A Committee has been set up under the co-Chairmanship of the Commerce Secretaries to oversee negotiations and Working Groups have been constituted to work out details of with the intention of finalizing the Agreement at the earliest¹.

During his visit, Foreign Minister Kadirgamar will meet senior Indian leaders including External Affairs Minister. Issues of mutual concern will be discussed and ways and means of further strengthening bilateral relations will be identified.

Apart from a review of bilateral relations, the visit will provide an opportunity to discuss the latest developments in the peace process in Sri Lanka. The Government of India is committed to the unity, sovereignty and territorial integrity of Sri Lanka and to the restoration of a lasting peace through a peaceful, negotiated settlement that meets the just aspirations of all communities. Peace in Sri Lanka can only contribute to the further deepening and expansion of Indo-Sri Lankan ties to mutual advantage and benefit.



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1. Meanwhile also on February 26, the Indian High Commissioner in Sri Lanka Mrs. Nirupama Rao said in Colombo that Government of India had pledged a \$ 5.7 million grant assistance to build a state-of-the-art cancer hospital in Colombo. In addition, as part of her continued assistance to the Tsunami devastated districts, the Indian Health and Family Welfare Ministry "will also augment the existing facilities in three hospitals in southern, eastern and northern Sri Lanka." Currently an Indian official team was in Sri Lanka visiting the three hospitals and looking into their needs. Measures to improve accident and emergency services, trauma care and operating theatres were some of the areas identified. Improvements to the Jaffna Teaching Hospital where the Indian Government had donated a state-of-the-art CT Scanner in 2003 were also discussed. Meanwhile discussions were also on for constructing a hospital in Dikoya, in Sri Lanka's central hill districts, where there is a concentration of plantation Tamils of Indian origin.

252. Joint press statement issued at the end of the Foreign Office Consultations between India and Sri Lanka.

Colombo, May 3, 2005.

1. Foreign Office Consultations between the Governments of Sri Lanka and India were held on 2nd May 2005 in Colombo, Sri Lanka. The Indian delegation to these talks was led by His Excellency Mr. Shyam Saran, Foreign Secretary of India and the Sri Lanka delegation was led by His Excellency Mr. S. Palihakkara, Foreign Secretary of Sri Lanka¹.
2. During his visit Mr Shyam Saran also called on Their Excellencies, the Prime Minister and Foreign Minister of Sri Lanka and met other senior Sri Lankan leaders. A wide range of issues were discussed in a warm and friendly atmosphere reflecting the excellent bilateral relations between the two countries.
3. It was decided to begin preparatory work for the sixth meeting of the India-Sri Lanka Joint Commission co-chaired by Their Excellencies the External Affairs Minister of India and the Foreign Minister of Sri Lanka scheduled to be held in Colombo in June 2005.
4. Bilateral trade and economic cooperation and implementation of the Free Trade Agreement were reviewed. It was noted with satisfaction that

1. Foreign Secretary Shyam Saran on arrival in Colombo on April 1 in a statement said: "India stands ready to assist Sri Lanka as it moves resolutely on the path towards peace and accelerated development, while preserving and strengthening the democratic and pluralistic nature of its society". Reiterating India's position that it "has an abiding interest in Sri Lanka's security" Mr. Saran said he would reaffirm New Delhi's "strong and consistent support for the unity, territorial integrity and sovereignty of Sri Lanka as well as for a peaceful, negotiated political solution to the ethnic conflict that meets the just aspirations of all communities in Sri Lanka." The Foreign Office Consultations are against the backdrop of increasing economic ties between the two countries over the past few years, particularly since the signing of the India – Sri Lanka Free Trade Agreement. Since 1996 India has extended 18 lines of credit to Sri Lanka. The latest in March 2005 was for \$ 150 million for the supply of petroleum products. When the Foreign Secretary visited Trincomalee on April 30th he said that India was committed to the development of Sri Lanka's north-east through "economic and technical assistance". The presence of the petroleum joint venture, Indian Oil Corporation – Lanka in the eastern district and the Indian assistance to the Trincomalee Technical College were "symbolic and representative of the close and enduring ties that India has with north-eastern Sri Lanka", Foreign Secretary Saran said. Speaking at a function in Kandy to handover four ambulances as Indian gift to the people of Sri Lanka's central plantation districts, Shyam Saran said steps would be taken to expedite the construction of a 150-bed hospital. The welfare of the plantation workers "has always remained close to our hearts", he said.

the bilateral trade between the two countries has increased to approximately US\$ 1.8 billion in 2004 and that the trade imbalance has narrowed significantly. It was also noted that the CEPA negotiating process had commenced and that the Commerce Secretaries of India and Sri Lanka had met in New Delhi in February 2005. The process is proceeding satisfactorily and the technical working and sub-groups would be meeting in Colombo from 5th – 7th May 2005.

5. Indian participation in post Tsunami reconstruction efforts was discussed and Foreign Secretary Saran announced a debt moratorium of three years on repayment of Sri Lankan debt to India. He also announced a number of Indian assistance measures including a series of workshops on low-cost rebuilding of houses to be conducted by Indian experts and a capacity-building exercise in management of disasters and post-disaster scenarios. It was also agreed that India would consider participation in Tsunami affected Colombo-Matara railway line reconstruction.

6. Investment in various sectors including power and energy, transport and the proposed ferry service were discussed and it was noted that the National Thermal Power Corporation of India would be submitting a detailed Project Report on a 300 MW Power Plant in May 2005, following detailed discussions with Sri Lankan authorities. It was also announced that, following a Sri Lankan request, a team of experts from the National Highways Authority of India would visit Sri Lanka to assess Indian participation in a highway project. The utilization of four Indian Lines of Credit amounting to US\$ 381 million was also discussed including Sri Lanka's request to import passenger buses under one of the Lines of Credit.

7. It was noted that the first meeting of the Joint Working Group on Fisheries (JWG) that was constituted following President Kumaratunga's visit to India in November 2004 with the mandate of dealing with issues relating to straying fishermen, working out modalities for prevention of use of force against them and the early release of confiscated boats, and exploring possibilities of working towards bilateral arrangements for licensed fishing was held on 21st April 2005. The Government of India's deep appreciation for the humane treatment of straying fishermen was reiterated and it was agreed that the JWG would be an excellent instrument to continue this dialogue and pursue mutually acceptable solutions.

8. The Sri Lanka government appreciated India's cooperation in the

repatriation of refugees who have decided to voluntarily return to Sri Lanka. Both sides noted that the issue is complex and sensitive and discussed the need for an appropriate resettlement package for returning refugees.

9. The exchange of information relative to the Sethusamudram Canal Project was noted with satisfaction. It was agreed that further technical information sought by the Government of Sri Lanka would be made available once specific issues have been elaborated by the Sri Lankan authorities for further technical level discussion.

10. Sri Lankan side expressed appreciation for the US\$ 7.5 million grant pledged by India for the establishment of a Cancer Hospital and was agreed that a decision on the location of the site for the Cancer Hospital needs to be taken urgently. It was also agreed that an Indian team would visit Sri Lanka to discuss this matter further.

11. In the context of the Indian technical and economic programme, Foreign Secretary Saran also announced that the training of Sri Lankan police personnel in criminal investigation techniques and other police administration methods is under active consideration.

12. The ongoing cooperation between the two countries including the de-limitation of the Continental Shelf between the two countries was discussed. The successful conclusion of a Technical Workshop in Goa from 25 – 29 April 2005 was noted. They stressed the need for continuing technical cooperation between the two countries in this regard. It was agreed to constitute a sub-group to jointly examine legal matters pertaining to this issue. A proposal for Sri Lankan Geologists/Geophysicists to participate in the Indian Antarctica Research Programme was discussed.

13. The need to have more cultural exchanges and strengthening of people to people contact was highlighted. The two sides noted with appreciation the commendable activities undertaken by the Indian Council for Cultural Relations.

14. The early convening of the 13th SAARC Summit in Dhaka was discussed and the need for strengthening SAARC was endorsed.

15. It was noted that there is a convergence of views on a number of multilateral issues including the need to conclude a Comprehensive Convention on International Terrorism. Both sides endorsed the adoption

of the International Convention for Suppression of Acts on Nuclear Terrorism and discussed the Report of the High Level Panel on “Threats, Challenges and Change” and the Report of the Secretary General, “In Larger Freedom”. Indian appreciation for Sri Lanka’s support for a permanent seat for India in the UN Security Council was reiterated.

16. Views were exchanged on a range of regional and international issues including regional political and economic developments and cooperation in other international fora.

17. The two sides found the consultations constructive and beneficial and agreed to maintain frequent High Level contacts¹.



1. At the end of the consultations, Foreign Secretary Saran told the Colombo based Indian journalists that “I go back with a very encouraging and very optimistic assessment of the prospects for India – Sri Lanka relations”. To question from the media-men, he said the proposed Comprehensive Economic Partnership Agreement “is making good progress”. “There is a strong political will both on the Indian side and the Sri Lanka side to bring about an early conclusion of this agreement.” On the Sri Lankan apprehensions on the Sethusamudram project, he said “Protection of the environment is a matter of great importance to India as well. We believe the safeguards, which are required have been incorporated.” A “very extensive briefing” was given to the technical parameters of the project to Sri Lankan representatives and India was “ready to provide” any additional clarification. The petroleum joint venture between Indian Oil and Ceylon Petroleum Corporation “has the potential of emerging as a major petrochemical base not only for the two countries but can serve the wider region as well. It has a very strong economic potential and that is what we are engaged in developing at this point in time.” Dispelling apprehensions on the proposed defence cooperation agreement, Foreign Secretary said; “I don’t think that any apprehension has a basis. I don’t think this kind of cooperation is directed or should be seen as targeting either any group within Sri Lanka or against any third country.” { It may be recalled when Sri Lanka’s Foreign Minister Kadigamar had visited New Delhi at the end of February, he had told a press conference: “All preparatory work had been completed and formal signatures of the two sides could be appended any time.”} When asked if Sri Lanka’s peace process was crowded with the internationalization of efforts, the Foreign Secretary replied: “This is really a call for the Government of Sri Lanka.” India has made its stand very clear. “We are committed to the territorial integrity and national unity of Sri Lanka, so any peace process which is within those broad parameters is something that we would welcome. We would certainly be keen to see there is no return to violence and we would also like to see a settlement in which the interests of all ethnic groups in this country are safeguarded. There should be an acceptance of the values of plural democracy. As long as these principles are observed and ensured we would support it.”

253. Media briefing by Official Spokesperson on the meeting between Foreign Secretary Shyam Saran and the Advisor to the Ministry of Foreign Affairs of Norway Erik Solheim on Sri Lanka.

New Delhi, May 13, 2005.

“The Advisor to the Ministry of Foreign Affairs of Norway, Mr. Erik Solheim met with Foreign Secretary Mr. Shyam Saran on May 11, 2005 in South Block.

Mr. Solheim conveyed to Foreign Secretary his assessment of the situation in Sri Lanka after his latest visit to the island. He explained Norway’s role in facilitating the establishment of a three-tier joint mechanism in the North and the East of the island for delivery of relief and reconstruction aid to the Tsunami affected area along the coast. The mechanism would include representative of the Sri Lankan government, the LTTE and representatives of the Muslim and Sinhala communities.

The Foreign Secretary expressed his appreciation to Mr. Solheim for sharing these details with India (and welcomed the regular and close consultations between the two sides on matters relating to the peace process in Sri Lanka.

In his remarks, Foreign Secretary once again reiterated India’s firm commitment to the unity, sovereignty and territorial integrity of Sri Lanka. It was agreed that there should be no recourse to violence in the country and that any peace settlement should conform to the principles of multiparty democracy and should enable all the different communities in Sri Lanka to live in peace and dignity. The Foreign Secretary briefed Mr. Solheim on the projects for reconstruction and community development that India is undertaking in Sri Lanka, including in the country’s Northern and Eastern regions.”



254. Joint Press Statement issued on the visit of President of Sri Lanka Chandrika Bandaranaike Kumaratunga.**New Delhi, June 3, 2005.**

- 1.. Her Excellency, Mrs. Chandrika Bandaranaike Kumaratunga, President of Sri Lanka, paid a working visit to India from June 2-4, 2005.
2. The President of Sri Lanka held cordial, wide-ranging discussions with the Prime Minister of India, Dr. Manmohan Singh. The discussions were substantive and covered the gamut of bilateral relations between the two countries, post-tsunami reconstruction efforts in Sri Lanka, and regional and international issues.
3. The President of Sri Lanka met with Smt. Sonia Gandhi, Chairperson of the UPA. Shri P. Chidambaram, Minister of Finance, and Shri Mani Shankar Aiyar, Minister of Petroleum & Natural Gas and Minister of Panchayati Raj, called on the President of Sri Lanka.
4. The two leaders noted that the forthcoming visit of the Indian External Affairs Minister for the sixth meeting of the India-Sri Lanka Joint Commission on June 10, 2005 in Colombo will provide a further impetus to bilateral cooperation.
5. During the discussions between the President of Sri Lanka and the Prime Minister of India, both sides expressed their satisfaction with the excellent state of bilateral cooperation in diverse areas. On the subject of economic cooperation, they noted that bilateral trade recorded a volume of US\$ 1.8 billion in 2004 with the trade imbalance between the two countries having narrowed significantly. Taking stock of the encouraging progress on negotiations on a Comprehensive Economic Partnership Agreement (CEPA), the two leaders directed that the negotiations on the CEPA be concluded by the end of 2005 so as to give a new thrust to overall bilateral business activity as well as to encourage investments in several areas of mutual interest and thereby strengthen the partnership in economic development between the two countries.
6. The President of Sri Lanka thanked the Prime Minister and the Government and people of India for the generous assistance sent to Sri Lanka immediately after the tsunami and for the further aid pledged. The

Prime Minister of India reiterated that India remains committed to assist Sri Lanka's remarkable efforts to recover from the tragedy of the tsunami of December 2004. Indian assistance would consist of a grant of Rs. 100 crores for relief and reconstruction projects, a moratorium on debt repayments for three years, as well as the factoring of post-tsunami reconstruction priorities into existing and proposed lines of credit.

7. The President conveyed to the Prime Minister her commitment to ensure the full participation of all communities in the country to ensure the delivery of relief and reconstruction assistance to those affected by Tsunami. In this context, she apprised the Prime Minister of her efforts to establish a Post Tsunami Operational Management Structure (P-TOMS)¹ for coordinating relief and reconstruction in areas affected by the Tsunami. The Prime Minister expressed understanding of and support for these ongoing efforts.

8. The President of Sri Lanka briefed the Prime Minister on the current status of the peace process in Sri Lanka. The Prime Minister reiterated India's support for the process of seeking a comprehensive, negotiated settlement acceptable to all communities, and reflecting the pluralistic nature of Sri Lankan society, within the framework of a united and democratic Sri Lanka.

9. They emphasized the need for the early resumption of negotiations in the peace process that will lead to a durable political solution that maintains the unity and territorial integrity of Sri Lanka, and guarantees the fundamental rights of all individuals while ensuring the safety and prosperity of the people.

10. In their discussions on the peace process, concern was expressed over ceasefire violations. Particular concern was expressed over the illegal acquisition of air capability.

1. Indian endorsement of the P-TOMS was an important item on President Chandrika's agenda which it was made out in her country that even India had reservations on involving the LTTE in the post-Tsunami reconstruction programme. According to media reports the President explained the importance of P-TOMS in the context of the on-going peace process. "For the first time, the LTTE is going to involve itself in an administrative process with the Sri Lankan government", a senior official of the Sri Lanka delegation told the media, and "this will be an open, transparent mechanism with observers from the donors." If and when the joint mechanism gets off the ground, it would represent the first time Colombo and the LTTE engage each other since April 2003 when the LTTE broke off the talks with the then UNP government.

11. The Prime Minister of India stated that India maintains an abiding interest in the security of Sri Lanka and remains committed to its sovereignty and territorial integrity.

12. With regard to the Sethusamudram Canal Project, it was agreed that the exchange of views between the Indian and Sri Lankan technical experts should continue. This would be with regard to environmental concerns and prospects of closer economic cooperation between the two countries in the Palk Bay area¹.

13.. The discussions between the two leaders reflected a large measure of convergence of views between the two countries on a number of international issues, including reform of the United Nations, the elimination of terrorism, SAARC, and regional cooperation.

14. The President of Sri Lanka stated that her Government and people looked forward to the visit of the Prime Minister of India to their country at an early, mutually convenient date. The Prime Minister said that he looked forward to visiting Sri Lanka stating that he attached the highest importance to the furtherance and strengthening of India-Sri Lanka relations.



1. According to media reports, quoting senior officials, the Prime Minister assured the visiting President that her country's worries with regard to the project would be accommodated. The project, which received Cabinet clearance the previous month would create a 20-km long, 300-metre wide channel between India and Sri Lanka, which when complete would knock out 36 hours of the time that the ships take while navigating between eastern and western coasts. The Rs. 2, 4270 million project requires major dredging operations in and around the Palk Bay, the Palk Straits and Adam's Bridge. The entire dredging is within the Indian territorial waters, but Sri Lanka is concerned about the impact of the project on its own coast and territorial waters including fish stock.

255. Statement by External Affairs Minister K. Natwar Singh on arrival at Colombo on a 3-day visit.

Colombo, June 9, 2005.

I am delighted to visit Sri Lanka, a close and friendly neighbour, to co-Chair the India-Sri Lanka Joint Commission.

The enduring friendship between our two democracies is a major factor for peace and stability in our region. The recent tragedy wrought by the tsunami, and our cooperation in its aftermath, has strengthened our ties further.

With my colleague and counterpart, Hon'ble Lakshman Kadirgamar, Foreign Minister of Sri Lanka, I will review the progress made since the India-Sri Lanka Joint Commission last met in October 2003. I am eager to discuss with my Sri Lankan colleagues ways and means to advance bilateral cooperation on matters pertaining to finance, trade and investment; education and culture; science and technology, which are on the agenda. Such cooperation is tangible evidence of India's commitment to Sri Lanka's economic development and progress, and the strengthening of the democratic and inclusive nature of Sri Lankan society.

The Government and people of India remain firmly committed in their support for efforts being made by the Government and people of Sri Lanka to consolidate the processes of peace and to promote development in their country. India's support for an outcome that accommodates the concerns and aspirations of all the groups that constitute Sri Lanka's multi-ethnic pluralistic society, while upholding and preserving the territorial integrity and sovereignty of the country, remains undiluted¹.



1. At a media briefing in New Delhi on the same day the Official Spokesperson Navtej Sarna recalled that the political relations between the two countries "are close, trade and investments have increased, infrastructural linkages are expanding, defence cooperation is under discussion and there is a general, broad-based improvement across all sectors of bilateral cooperation." He said "there has been traditional convergence of views between the two countries on a range of international issues including their deep commitment to oppose terrorism in all its forms and manifestations. They agree on the need for urgent reform of the UN system to meet global challenges, including the expansion of both permanent and non-permanent membership of the Security Council. Sri Lanka has endorsed India's candidature for the permanent membership of the UNSC. The dynamism of the economic relationship is

manifest in the success of the India-Sri Lanka Free Trade Agreement. Bilateral trade has more than doubled after the FTA was signed and exceeded US\$ 1.8 billion in 2003-04. India was the largest investor in Sri Lanka in 2002 and 2003. Discussions on a Comprehensive Economic Partnership Agreement to further deepen and widen the relationship have made substantial progress. A Committee has been set up under the Co-Chairmanship of the Commerce Secretaries of the two countries to oversee negotiations and Working Groups are meeting to work out the details with the intention of finalizing the Agreement by the end of 2005. Discussions are also underway between the two countries on major Indian investments in the power sector, in development of road and rail infrastructure and in energy. India has a substantial development partnership with Sri Lanka. It has committed a total of US\$ 381 million as credit lines to Sri Lanka for financing a variety of activities that are of economic importance to Sri Lanka. Government of India is in the process of executing development projects in Sri Lanka worth about Rs. 70 crore. Several more projects in the health, Information Technology and education sectors are under consideration. Intensification of economic and political relations is accompanied by an increase in people-to-people contacts. There are more than 109 flights every week between India and Sri Lanka and Indians constitute almost twenty per cent of all tourist arrivals in Sri Lanka. A number of measures that will build our cultural links, which are based on our common heritage and historical bonds, will also be discussed. The first meeting of the Joint Working Group on Fisheries, set up following a directive during the visit of Her Excellency the President of Sri Lanka to India in November 2004 took place in New Delhi on April 21, 2005. The Group is mandated to look into issues relating to straying fishermen, work out modalities for prevention of use of force against them and explore possibilities of working towards bilateral arrangement for licensed fishing. India supports the process of seeking a comprehensive, negotiated settlement acceptable to all communities reflecting the pluralistic nature of Sri Lankan society, within the framework of a united and democratic Sri Lanka. India also supports the early resumption of negotiations in the peace process that will lead to a durable political solution that maintains the unity and territorial integrity of Sri Lanka and guarantees the fundamental rights of all individuals while ensuring the security and well-being of the people. India maintains an abiding interest in the security of Sri Lanka and remains committed to its sovereignty and territorial integrity.

Her Excellency the President of Sri Lanka has apprised the Prime Minister of India about her efforts to establish a Post-Tsunami Operational Management Structure. India understands and supports these ongoing efforts.

Prime Minister had announced a Rs. 100 crore composite Tsunami relief package for Sri Lanka on December 26, 2004. A massive relief effort was launched in which India deployed an air detachment of 10 aircraft for three weeks and sent about 15 naval shiploads of supplies, 15 medical teams including a mobile field hospital (140 men) that was airlifted, specialist doctors, a 45-bed hospital ship (INS Jamuna), 10 teams of Naval divers and a 81-member composite Army disaster management team. Indian ships and aircraft were the first to arrive in Sri Lanka. Ten truckloads of supplies sent by CII were also distributed in Tamil held areas through the Ramakrishna Mission at Point Pedro in Northern Sri Lanka. In the post-emergency phase, 5 Bailey Bridges were installed; a major aerial photographic survey of affected areas by the National Remote Sensing Agency was conducted; and medical assistance was continued through deployment of defence medical teams and supply of medicines. Indian assistance in Sri Lanka's "Rebuilding the Nation Programme" is continuing. A three-year moratorium on Sri Lankan debt to India has been announced, major support packages in the health and railway sectors are being worked out and a series of capacity building and experience sharing exercises are being conducted."

256. Joint press conference by External Affairs Minister K. Natwar Singh and Foreign Minister of Sri Lanka Lakshman Kadirgamar.

Colombo, June 10, 2005.

External Affairs Minister K. Natwar Singh's opening remarks:

Hon'ble Lakshman Kadirgamar, Senior officials, Distinguished Invitees, Members of the Press Corps, Ladies and Gentlemen,

It gives me great pleasure to be here in Sri Lanka. India and Sri Lanka have a shared history, religion and culture. The Joint Commission Meeting that we have just concluded successfully today bears ample testimony to the excellent bilateral relations that our two countries enjoy. Indeed, it would be no exaggeration to say that Indo-Sri Lankan relations now serve as a role model for the entire region.

It would be easy to rest complacent with the excellent state of bilateral relations. But, we are determined to take relations with Sri Lanka to greater heights. To give one example, the bilateral free trade agreement between India and Sri Lanka has been a huge success story with the two-way trade touching 1.8 billion US Dollars. Notwithstanding this, however, both countries have decided to realize the enormous potential that exists for further economic and commercial cooperation. To this end, negotiations are currently in progress for concluding a Comprehensive Economic Partnership Agreement, hopefully by the end of this year.

We also had a chance to discuss increased people-to-people contacts, particularly through cooperation in the area of tourism and civil aviation. In this era of globalization, both our two countries need to focus on better infrastructure for not just movement of goods and services, but also movement of people across borders.

I wish to emphasize the fact that we have signed two agreements today, one relating to Small Development Projects and the other dealing with an Exchange Programme on Education. Both are important because they focus on the most valuable resource we have, namely, our people.

In addition to the above two Agreements, we have also taken a number of specific measures to assist Sri Lanka in various spheres of

development. We will train around 450 Sri Lankan policemen in India. We will provide a grant of Rupees 10 million for funding a pilot project of 20 e-libraries or “nenasalas”. We also discussed the utilization of credit lines worth 381 million US Dollars.

On the peace process, we support the process of seeking a comprehensive, negotiated settlement acceptable to all communities and reflecting the pluralistic nature of Sri Lankan society within the framework of a united and democratic Sri Lanka. India maintains an abiding interest in the security of Sri Lanka and remains committed to its sovereignty and territorial integrity.

Indrani Bagchi (Times of India). India has offered an Air Defence System to Sri Lanka. Are you going to accept?

Mr. Lakshman Kadirgamar: This is very much under discussion. We will accept it. We are looking into ways and means on how this can be done.

Question . Is there any timeframe?

Answer. No.

De Villiers (Free lance journalist) . How soon will the India Sri Lanka Defence Cooperation Agreement be signed? Will it be signed before the Joint Mechanism? Would there be India troops stationed in Sri Lanka? – de Villiers (free lance journalist)

Shri Natwar Singh : India and Sri Lanka already have extensive cooperation in the defence field. The defence cooperation agreement is in the process of being finalized. There are certain procedures to be gone through and that process is underway. The defence cooperation agreement would be a framework for cooperation for providing cooperation or regular exchanges between our defence establishments, training of personnel and capacity building and this is a continuous process.

Question : On the Joint Mechanism, what is India’s stand? What are your conditions? Is India going to support the President on the Joint Mechanism?

Shri Natwar Singh: We are aware of the efforts by the President of Sri Lanka on the Post-Tsunami Operational Management Structure (P-TOMS) or Joint Mechanism for coordinating relief and reconstruction in the areas

affected by the tsunami. We have already expressed understanding of and support for these ongoing efforts.

Question : If President CBK goes ahead with the Joint Mechanism, the JVP is going to pull out of the government. What is India's comment on it?

Shri Natwar Singh: This is an internal matter. I am not going to comment on it.

Question : The Sethusamudram project will be operationalised soon. How is India addressing Sri Lankan concerns on this?

Mr. Lakshman Kadirgamar: It must be remembered that there are very strong and vocal environmentalist groups in India and also a very powerful Ministry of Environment. This project is closer to the Indian coastline as you all know, and therefore, India is more concerned than anyone else to ensure that all safeguards against any environmental impact is fully taken into account. This has been done in a transparent manner. India is very concerned that Sri Lanka may have apprehensions about the project and India is reacting suitably.

Shri Natwar Singh: As Minister said there are very strong and vocal environmental groups in India and we also have a powerful Ministry of Environment. This project I should clarify is closer to the Indian coastline and therefore we are more concerned than any one else to ensure that all safeguards against any environmental impact is fully taken into account. This has been done in a transparent manner and let me assure you that we will do nothing that will remotely adversely affect our relations. We are very mindful of any concern that Sri Lanka may have concerning the project. We had already arranged an extensive briefing for Sri Lankan experts in January this year. If there are any specific areas of concern, we are ready to organize further technical discussions. The dialogue between our experts is continuing in order to promote common understanding.

Question : Can we have some details on the MOU on small developmental projects that has been signed in this meeting?

Foreign Secretary: This is a new dimension to India-Sri Lanka economic cooperation. These are projects which will be at the community level or at the local level and upto a limit of US\$ 3 million. So these will be projects like link road in villages and some small irrigation projects, school projects and

all those which will be of a quick-yielding variety and will also give a benefit to the community.



257. Response of the Official Spokesperson to a question regarding P-TOMS agreement signed by Sri Lanka Government and LTTE.

New Delhi, June 27, 2005.

In response to a question regarding P-TOMS agreement signed by Sri Lanka Government and LTTE the Official Spokesperson said:

We hope that the implementation of the mechanism will strengthen democratic processes and uphold pluralism in the North and the East of Sri Lanka.

India steadfastly supports the efforts being made by the government and people of Sri Lanka to consolidate the processes of peace and development in their country. India's support for a comprehensive negotiated settlement acceptable to all communities, and reflecting the pluralistic nature of Sri Lankan society, within the framework of a united and democratic Sri Lanka, remains undiluted. India is firmly opposed to violence and conflict as a means to resolve this issue.¹



1. On June 24 the Spokesperson, referring to the Post-Tsunami joint mechanism said: "I was earlier asked about the signing of the joint mechanism in Sri Lanka. I can say to that that during the visit of President of Sri Lanka to India from 2nd to 4th June, we had conveyed our understanding of and support to her efforts to devise a mechanism by which relief could be channelized to the victims of the tsunami. Considering the scale and tragedy, it is important that the relief is made available to all victims regardless of their religion or ethnicity. We hope that Post-Tsunami Operational Management Structure, or P-TOMS as it is called, functions in this direction." As far as India is concerned we will continue to provide assistance and a number of bilateral projects are under discussion in the infrastructure, health and sharing of technical expertise. These are being discussed between the two governments. It may be recalled that on May 12 Eric Solheim, Advisor to the Norwegian Foreign Ministry had met Foreign Secretary Shyam Saran and conveyed to him his latest assessment of the situation in Sri Lanka since he had played a significant role in facilitating the establishment of a three-tier joint mechanism in North and East of the island for delivery of relief and reconstruction aid to the Tsunami-affected areas.

258. Press release of the High Commission of India in Sri Lanka on the Second round of expert level talks on Sethusamudram Ship Channel Project held in Delhi on August 1.

Colombo, August 3, 2005.

The Second round of technical level talks on Sethusamudram Ship Channel Project (SSCP) took place in New Delhi on August 1, 2005. The Indian delegation was led by Mr D T Joseph, Secretary (Shipping), Government of India and the Sri Lankan delegation was led by Mr. Ariaratne Hewege, Advisor, Ministry of Ports and Aviation, Government of Sri Lanka. The talks underscored India's commitment to information sharing on the Project. At the end of the talks an agreed note was signed which detailed the issues discussed and the data handed over by the Indian side to Sri Lanka. The technical level discussions will continue and the next meeting of experts will be held at a mutually convenient time shortly.

Agreed Note On The 2nd Round Of Technical Level Discussions Between India And Sri Lanka On The Sethusamudram Ship Channel Project Held On 01st Aug 2005 In New Delhi.

1. In accordance with the mandate of the President of Sri Lanka and Prime Minister of India, a meeting of technical experts on the Sethusamudram Ship Channel Project took place in New Delhi on August 1, 2005.
2. The technical delegations agreed that the purpose of the discussion was to develop a common understanding of the environmental concerns with a view to addressing them. Specific discussions were held in respect of the following:-
 - Hydrodynamic Modelling assumptions behind the project.
 - Environmental measures for the sustainability of the marine ecosystem within the Canal and its adjacent areas,
 - Possible impact on fisheries resources and fisheries dependent communities.
 - Measures to cope with Navigational Emergencies.

3. Indian side made available the:
 - Detailed Environmental Impact Assessment (EIA) prepared by NEERI,
 - Detailed Project Report,
 - Details of modelling studies.
4. During discussions both sides discussed concerns relating to environmental aspects of the project which could affect Sri Lanka. Both sides agreed to an arrangement to share relevant data for this purpose which could enable them to assess and monitor the environmental impact of the project.
5. Sri Lankan authorities will examine the details provided by the Indian side and make available additional requests for information prior to further discussions. Technical level discussions to arrive at a common understanding for addressing environmental concerns will continue and the next meeting of experts will be held at a mutually convenient time shortly.



259. Press release issued by the Ministry of External Affairs on the visit of Sri Lankan Leader of the Opposition Ranil Wickremesinghe.

New Delhi, August 22, 2005.

The Sri Lankan Leader of the Opposition H E Ranil Wickremesinghe visited India from 16 August – 18 August, 2005 to deliver the 8th Dinesh Singh Memorial Oration organized by ICWA. During his stay in India, he exchanged views with the political leadership. He called on Prime Minister and had extensive talks with External Affairs Minister. External Affairs Minister hosted a lunch in honour of the visiting dignitary. The Sri Lankan Leader of Opposition also called on former Prime Ministers, Shri A B Vajpayee and Shri I K Gujral.

India has excellent bilateral relations with Sri Lanka. During the talks with the Sri Lankan Leader of the Opposition these relations were reviewed and ideas exchanged on how to strengthen them further.

We reiterated our support for the process of seeking a comprehensive, negotiated settlement acceptable to all communities, and reflecting the pluralistic nature of Sri Lankan society, within the framework of a united and democratic Sri Lanka. We also stressed the need to maintain peace through respect for the ceasefire agreement, the need to deliver speedy and effective relief and rehabilitation for all the affected people, including in the North-East and the need to find a durable political solution that maintains the unity and territorial integrity of Sri Lanka and guarantees the fundamental rights of all individuals while ensuring the safety and prosperity of the people.



260. Media briefing by Official Spokesperson on External Affairs Minister's meeting with Foreign Minister of Sri Lanka Anura Bandaranaike.

New Delhi, August 26, 2005.

- External Affairs Minister Shri K. Natwar Singh held detailed discussions this afternoon with Mr. Anura Bandaranaike, Foreign Minister of Sri Lanka. The two Ministers reviewed the entire gamut of bilateral relations and agreed that they were in excellent shape.
- This is Mr. Bandaranaike's first visit abroad after taking over as Foreign Minister and the fact that it is a visit to India bears testimony to the importance attached to the relationship by both countries.
- Mr. Bandaranaike also briefed External Affairs Minister on domestic political developments in Sri Lanka, especially those following the tragic assassination of Mr. Laxman Kadirgama, including the forthcoming Presidential elections.
- Mr. Bandaranaike is due to call on the PM this evening.



261. Indian reaction to the tragic assassination of Sri Lankan Foreign Minister Lakshman Kadirgamar.**New Delhi, September 1, 2005.**

The Government of India has condemned unreservedly the tragic assassination of Honourable Lakshman Kadirgamar, the Foreign Minister of Sri Lanka. A statement issued in New Delhi immediately after the assassination said:

We have learnt with deep shock and profound grief of the brutal assassination of Sri Lanka's distinguished Foreign Minister and long-standing friend of India, Lakshman Kadirgamar. This has been a heinous act and we condemn it unreservedly. We hope that the perpetrators of this terrorist crime will be brought to justice.

We have every confidence that Government and friendly people of Sri Lanka will rise to the challenge and defeat the forces which seek to undermine Sri Lanka's unity and political stability. India will, as always, extend its full support to our friendly neighbour in its hour of need. The Government of India's support for the unity and territorial integrity of Sri Lanka remains constant and undiluted.

The Government and people of India to Mrs. Kadirgamar and the entire Kadirgamar family on their irreparable loss. Our prayers are with them in their moment of sorrow.

Further to the above statement, the Prime Minister of India, Dr. Manmohan Singh, the Defence Minister Mr. Pranab Mukherjee, the Minister of External Affairs, Mr. K.Natwar Singh and many other dignitaries have sent letters of condolences on the tragic death to Mrs Kadirgamar and the Srilankan leadership.

In his letter to the President, H.E Ms. Chandrika Bandaranaike, the Indian Prime Minister has stated " I have been profoundly grieved by the news of the dastardly assassination of Foreign Minister Lakshman Kadirgamar, a brave son of Sri Lanka, who had devoted his life to the noble cause of peace, unity and the territorial integrity of Sri Lanka...Foreign Minister Kadirgamar was a true friend of India and his contribution to India-Sri Lanka relations will always be remembered." The Prime Minister also spoke on the telephone to the President of Sri Lanka on the evening of 13th

August to personally express his sorrow and that of the government and people of India on the untimely and tragic demise of Mr. Kadirgamar.

In his letter to Mrs. Kadirgamar, Dr. Manmohan Singh has written, "His sad and untimely passing is an irreparable loss not just to you personally and to your family, but also to all of us who had the privilege of knowing him and working with him. Foreign Minister Lakshman Kadirgamar has been an outstanding statesman of our time, and we all benefited from his formidable intellect and great wisdom. Above all, he was a truly patriotic Sri Lankan, and his loss is a national tragedy. We condemn this premeditated act of terrorist violence, and trust that its perpetrators will be brought to justice."

The Minister of External Affairs of India, Mr. K. Natwar Singh, in his message to H.E. Mr. Mahinda Rajapakse, Prime Minister of Sri Lanka, has stated " Mr. Kadirgamar's untimely demise is not only an immeasurable loss for the government and people of Sri Lanka, but also for our region and for the cause of democracy all over the world. The government and people of India have lost a trusted and valued friend who at all times upheld the interests and cause of partnership and multi-faceted interaction between Sri Lanka and India with deep and passionate sincerity and commitment."

In his letter to Mrs. Kadirgamar, Mr. K. Natwar Singh writes " Lakshman Kadirgamar had many friends and admirers in India. His towering intellect, his keen legal mind, his political courage and his personal warmth make his loss irreparable."

The Indian defence Minister, Mr. Pranab Mukherjee, in his letter of condolence to Mrs. Kadirgamar has written " No words are adequate to condemn such a dastardly attack on a person who was loved and liked universally. Shri Kadirgamar was a personal friend of mine for many years and it is a personal loss to me and indeed an irreparable loss to you and other members of your family as well as the whole nation."

Mrs Sonia Gandhi, Congress Leader and chairperson National Advisory Council in a deeply touching condolence to Mrs. Kadirgamar said, " I have warm memories of my meetings with you and your husband. He was a true and greatly valued friend of India . We deeply mourn his loss and will always honour his memory. I understand your unbearable anguish and share your grief with all my heart."



262. Media briefing by Official Spokesperson on Prime Minister's telephone conversation with President of Sri Lanka.

New Delhi, November 20, 2005.

- Prime Minister Dr. Manmohan Singh today had a telephone conversation with the President of Sri Lanka Mr. Mahinda Rajapakse, following his earlier letter of congratulations.
- Prime Minister congratulated him on his victory which was doubly auspicious since it had come on President Rajapakse's birthday.
- He said that he looked forward to working together with President Rajapakse in further strengthening bilateral relations and also looked forward to welcoming him to India at an early date.



263. Joint Press Statement on the visit of Sri Lankan Foreign Minister Mangala Samaraweera.

New Delhi, December 1, 2005.

The Sri Lanka Foreign Minister, Mr. Mangala Samaraweera visited New Delhi for official talks from 30 November to 1 December. He called on the Prime Minister of India Dr. Manmohan Singh and had discussions with the Minister of State for External Affairs, Mr. E Ahamed.

Minister Samaraweera apprised the Indian side of the policy the Government of President Mahinda Rajapaksa seeks to follow with regard to the peace process in Sri Lanka. He emphasized the continued commitment of the government to the maintenance of the Ceasefire, and the desire for a review of its operations, so that the implementation of the Agreement can be made more effective. The Government also extends a firm invitation to the LTTE to negotiations to discuss a political solution. President Rajapaksa views the greatest possible degree of openness, transparency and inclusivity in the peace process, as being essential for its acceptance and eventual success. Minister Samaraweera spelt out the

approaches that President Rajapaksa and his administration would adopt towards this end of arriving at a broad national consensus. Parallel to this endeavour, reconstruction and development in the North and East would be accorded the highest priority.

Minister Samaraweera affirmed that the Government of Sri Lanka would, in the tradition of close dialogue between the two countries, continue to apprise the Government of India in regard to the ways and means by which the peace process could be made more effective.

Indian side thanked the Sri Lanka Foreign Minister for outlining the approach of President Rajapaksa and his administration towards the peace process. India believes that an enduring solution can only emerge essentially through internal political processes. India supports the process of seeking a negotiated settlement acceptable to all sections of Sri Lanka society within the framework of a united Sri Lanka, and consistent with democracy, pluralism and respect for human rights. India continues to maintain an abiding interest in the security of Sri Lanka and remains committed to its sovereignty and territorial integrity.

Several other matters of mutual interest, including the further strengthening of economic and commercial cooperation, were addressed during the visit of Minister Samaraweera. Both sides emphasized the need to conclude, as early as possible, the Comprehensive Economic Partnership Agreement.

Government of India reiterated to Minister Samaraweera the invitation already extended by it to President Rajapaksa to pay a State Visit to India at the earliest opportunity.



264. Media briefing by Official Spokesperson on the visit of Sri Lankan President Rajapaksa.

New Delhi, December 28, 2005.

Official Spokesperson: Good evening. I thought I would brief you on today's talks between India and Sri Lanka very briefly. As you know, President Rajapaksa arrived yesterday and this morning there was a ceremonial welcome at Rashtrapati Bhawan after which the visiting President went and laid a wreath at Rajghat. There was a detailed interaction between the two delegations in Hyderabad House. There was also one to one meeting with the Prime Minister, which I understand was for forty minutes after which there were delegation level talks.

I have some readout from the delegation level talks. We understand that the President briefed the Indian side of his assessment of the current status of the peace process in Sri Lanka. Both sides agreed that peace talks aimed at strengthening the ceasefire should begin at the earliest. The discussions also covered the wide-ranging economic and commercial cooperation that already exists between the two countries, as well as ways and means of enhancing it in the coming years. Specific issues in this context that came up were the conclusion of a Comprehensive Economic Partnership Agreement, cooperation in the field of railways, civil aviation, information technology and energy.

As you know the President will carry on the rest of his programme this evening, which will include the banquet by the President and other calls by several Ministers today and tomorrow, the details of which I have already given you.

Question: What is the status of the Defence Agreement¹? Is the Defence Minister calling on him?

1. Though there was no reference to the defence cooperation agreement, but media quoted official sources to confirm that India had indeed provided Sri Lanka with two indigenously developed military radar on the eve of the President's visit. The transfer of radars, to enable low-level detection of fighter aircraft, marked the resumption of non-lethal military aid after five years. The Defence Ministry sources which confirmed the transfer of radars did not provide their details. It beefs up the Sri Lankan defence against any distant possibility of the LTTE acquiring prowess in air operations. (Presently the LTTE possessed two micro-light aircraft and believed to have developed two airstrips in areas under its control.) Media reports said that the radars were provided by Bharat Electronic Ltd. It may be recalled that the two countries deepened the military contacts and held the first ever joint naval exercises earlier in December.

Answer: I do not have exact programme with me but, I do not recall a call on by the Raksha Mantri and I am afraid that what I have given you is what I have out of today's discussions. I really cannot now go into guessing what else was discussed and what was not discussed.

Question: Any discussion on a greater role for India in the peace process?

Answer: As I said, he (President) briefed the Indian side on the current status of the peace process. They said that the talks, which are aimed at strengthening the ceasefire should begin at the earliest. So, this is the position which both shared. I can add that India's position on the peace process is well known and President Rajapaksa welcomed India's commitment to peace and security in Sri Lanka.

Question: Navtej, is India willing to be the fifth co-chair (in peace talks)?

Answer: As I said, India's position on the peace process is well known.

Question: How does India view the peace process in view of the recent attacks in Sri Lanka?

Answer: We are deeply concerned at the recent escalation of violence in Sri Lanka and the repeated violations of the ceasefire. This is a trend that can only undermine the search for a negotiated political settlement, which is critical for the maintenance of peace and for the resumption of talks which are aimed at finding a just solution to Sri Lanka's ethnic problems.

Question: Is India embarrassed by the fact the Jayalalitha has cancelled her meeting (with the President of Sri Lanka)?

Answer: I would not characterize it as embarrassment or anything like that. The programme for Tamil Nadu for the visiting President was tentative in nature and was based on mutual convenience. Given the fact that the President has a full schedule in Delhi and other places and the fact that the Chief Minister was not available that day, the programme has been changed.

Question: Is he going to Chennai at all?

Answer: I understand no.

Question: So he goes to Guruvayur and he leaves India?

Answer: Yes, he goes to Kochi.



265. Speech of President A.P.J. Abdul Kalam at a banquet in honour of the President of Sri Lanka

New Delhi, December 28, 2005.

Your Excellency President Mahinda Rajapaksa,
President of the Democratic Socialist Republic of Sri Lanka,
Madam Shiranthi Rajapaksa,

Excellencies,

Ladies and Gentlemen,

It gives me great pleasure to welcome Your Excellency and all the distinguished members of the Sri Lankan delegation to India and to especially extend my felicitations to you on your assumption of the high office of the President of the Democratic Socialist Republic of Sri Lanka.

India and Sri Lanka are inextricably linked together by bonds of history, culture and religion. Our relations go back many centuries and are part of our ancient legends. Buddhism is indeed an excellent bond between our two nations and our people.

Your Excellency, we are your closest neighbours. Our immutable and inalienable geographical links come alive even in the satellite pictures taken from outer space. Gandhiji once described your beautiful island as a 'resplendent pendant'. Pandit Nehru too was enchanted by the beauty of your land and observed eloquently: 'It is ever afternoon there and the summer breezes blow and rustle through the graceful palm trees.' We have built up on this shared legacy of ours in line with the vision of our founding fathers. Our bilateral cooperation has also expanded rapidly over the past decade. As your late Foreign Minister Lakshman Kadirgamar put it, our relations are now in a state of 'irreversible excellence'.

We have had the opportunity today to discuss a wide range of developments, including your ideas for taking forward the peace process in Sri Lanka. We have convergence of views on a wide range of issues, and this flows naturally from our shared respect for democracy, diversity and dialogue. India remains committed in its support to the unity, sovereignty and territorial integrity of Sri Lanka and for a peaceful, negotiated settlement of the ethnic issue. We appreciate your efforts to build a national consensus

on a solution within a united Sri Lanka and on the basis of maximum devolution. We are ready to share with you our own experience of unity in diversity, pluralist traditions in a democracy and devolution within a federal framework. We stand with you in rejecting war and conflict and in opposing terrorism, which constitutes the biggest threat to democratic societies today.

Your Excellency, we have agreed to impart a greater purpose to our efforts to use the full potential of our bilateral relationship. I am impressed by the sincerity of your vision for the social and economic progress of your country. India is ready and willing to assist you in this noble task. I hope we can reach agreement during your visit on specific projects of mutual cooperation in the areas of agriculture and fisheries, railways, health, ports infrastructure, education and vocational training. Our bilateral development cooperation has entered an important stage with the agreement on Small Development Projects, which would act as a platform for exchange of technical expertise at the grass roots level.

Trade, investment and people-to-people contacts between our two countries are expanding significantly. Globalisation as a worldwide phenomenon, is here to stay. It presents both opportunities and challenges. India and Sri Lanka need to pool their resources and talent to use the opportunities and to meet the future challenges. It is against this background that I take great satisfaction at the functioning of the bilateral Free Trade Agreement between our two countries. Since its inception in 1998, this Agreement has helped both the countries to improve their trade and investment. Indeed, the bilateral Free Trade Agreement has become a role model for the entire South Asian region. I am confident that the Comprehensive Economic Partnership Agreement (CEPA), which we hope to finalise soon, would lead to further growth in trade and investment to the benefit of our two peoples.

Your Excellency, this State Visit gives us an opportunity to take stock of our bilateral relations and to take them forward. We must not be complacent about the excellent state of our bilateral relationship. We need to work harder to achieve much higher levels of cooperation in all areas in a way that will bring tangible benefits to the people of our two countries.

Distinguished guests, may I now request you to join me in raising a toast to the: -

- health of His Excellency President Rajapaksa and Madam Shiranthi Rajapaksa;
- everlasting friendship and cooperation between India and Sri Lanka; and
- peace, progress and prosperity of Sri Lanka



266. Joint press statement issued at the end of the visit of Sri Lanka President Mahinda Rajapaksa.

New Delhi, December 30, 2005.

1. His Excellency Mahinda Rajapaksa, President of Sri Lanka and Madam Shiranthi Rajapaksa paid a State Visit to India from December 27-30, 2005, at the invitation of the President of India, His Excellency Dr A.P.J. Abdul Kalam. The President of Sri Lanka was accompanied by Mr. Mangala Samaraweera, Minister of Foreign Affairs, Mr. A.H.M. Fowzie, Minister of Railways, Transport and Petroleum and Petroleum Resources Development, Mr. Jeyaraj Fernandopulle, Minister of Trade, Commerce, Consumer Affairs and Marketing Development, Mrs. Ferial Ashraff, Minister of Housing and Construction, Mr. R. Bogollagama, Minister of Enterprise Development and Investment Promotion, Ministers, leaders of political parties and senior officials.
2. President Rajapaksa held wide-ranging discussions with President A.P.J. Abdul Kalam, Prime Minister Dr. Manmohan Singh, Home Minister Shivraj Patil, Commerce Minister Kamal Nath and Shipping Minister T.R. Baalu, and other dignitaries.
3. Smt. Sonia Gandhi, Chairperson, UPA, called on President Rajapaksa.
4. The President also met with several senior personalities from other political parties¹ during his stay in New Delhi.

1. The President during his stay in New Delhi met with senior leaders of the Communist Party of India (Marxist), who urged him to provide maximum autonomy for Tamils within the

5. It was noted with satisfaction that Indo-Lanka bilateral relations have continued to be in a state of excellence characterized by political consensus in both countries, understanding, friendship, cooperation and mutual respect and benefit. The two sides reaffirmed their resolve to further consolidate and build on this strong and dynamic relationship.

6. The discussions on international issues reflected the long-standing consonance of views between the two friendly nations. Both sides remain resolutely committed to opposing terrorism in all its forms and manifestations, while reiterating that terrorism can never be justified, either on political, or on religious, or on ideological grounds. The two sides agreed that the current global challenges require the reinvigoration of multilateralism, including through the strengthening of the UN system. In this context, Sri Lanka reiterated her position that the UN Security Council reform process should facilitate India's legitimate claim for a permanent seat in the UN Security Council and reaffirmed her support for the candidature of India as a permanent member of the UN Security Council.

7. India and Sri Lanka emphasized their commitment to work for the full realisation of the objectives identified by the 13th SAARC Summit in Dhaka last November. They were of the view that the South Asian Free Trade Agreement once operationalised should pave the way for the SAARC nations to move towards even closer economic cooperation, with the eventual goal being that of an economic union encompassing the entire region.

framework of a united Sri Lanka. The CPM leaders were Prakash Karat (General Secretary) and Sitaram Yechury (Polit Bureau member). Media reports said that the President told the Marxist Leaders that his government was eager to have the LTTE to return to the peace talks and he was willing to discuss all issues within these parametres. The Left leaders apparently conveyed to the visiting President that they have favoured granting maximum autonomy to the Sri Lanka Tamils within the framework of united Sri Lanka. Meanwhile supporters of Sri Lanka Tamils, including the two constituents of the ruling United Progressive Alliance at the Centre – the Pattali Makkal Katchi (PMK) and the Marumaarchi Dravida Munnetra Kazagam (MDMK) on December 29 urged the Prime Minister not to extend any military assistance to the Island government. A resolution adopted by the Tamil Parties in Chennai on December 29 inter alia said "at no cost should India extend military assistance such as the sale of arms, training the island's army personnel and renovating its naval or air base. Meanwhile media reports quoted official sources to suggest that the cease fire in Sri Lanka was under 'strain' and there was a need for a "southern consensus" and devolution of powers in the island nation. The same unidentified sources were quoted to say that the Sri Lanka President did not seek a greater Indian involvement in Sri Lanka, but he did seek Indian support and blessings for the peace process. It was said that Rajapakse appeared "flexible" on the issue of devolution of powers and believed that he should be given 'space' to push for a settlement.

8. The Prime Minister of India and the President of Sri Lanka expressed satisfaction at the dynamism of the bilateral economic relationship. They noted the good progress by the two governments in building on the success of the India-Sri Lanka Free Trade Agreement by negotiating a Comprehensive Economic Partnership Agreement (CEPA). They expressed their confidence that the finalisation of CEPA, on the basis of mutual benefit for both sides, would further unleash the inherent synergies between the two countries.

9. It was noted that India has made an initial allocation of a Credit Line of US\$ 100 million for the integrated development of the Colombo – Matara rail network. It was agreed at the request of the Sri Lanka side, that India would take this process forward by the extension of concessionary terms to be mutually agreed upon, for the allocated credit of US\$ 100 million, and for any additional credit to be made available for the said project. A multi-disciplinary delegation from India has already visited Sri Lanka. A delegation of officials from Sri Lanka representing the Ministry of Finance and the Ministry of Railways, will visit India in turn to discuss and agree on the technical and engineering aspects of the project, and the terms and conditions of the Credit Line.

10. The two leaders welcomed the bilateral understandings being reached on identifying joint ventures for the development of the eastern Sri Lankan port city of Trincomalee, and its surrounding region. They noted the need to prepare a Master Plan for realizing, including through the building up of the necessary infrastructural support, the full economic potential held out by Trincomalee and its environs. It was agreed in this context that a coal based power project of capacity 2x250 MW will be set up in the Trincomalee region of Sri Lanka, as a joint venture between the National Thermal Power Company Ltd, a Government of India enterprise and the Ceylon Electricity Board, a Government of Sri Lanka entity. The Government of Sri Lanka will have the responsibility of facilitating and extending all necessary help in setting up this project. A detailed Memorandum of Understanding for setting up the Power Project is to be signed separately.

11. The Indian side in recognition of the high priority accorded by the President of Sri Lanka to reconstruction and development in the North and East, offered to support these efforts through technical and financial assistance. The Sri Lanka side welcomed this offer of assistance and agreed

to facilitate the related initiatives. The Indian side also announced assistance in constructing a library and a stadium in Jaffna.

12. The two sides agreed that there was great potential for cooperation in the areas of agriculture, IT and renewable energy. Both sides discussed collaboration in the Information and Communication Technology (ICT) area, which would include, inter alia, institutional capacity building, training and skills development and technical assistance. In this regard, India and Sri Lanka will collaborate to set up an ICT Park in Sri Lanka.

13. The two sides reiterated their desire to accelerate their co-operation in the field of human resource development, and in the fashioning of educational policies appropriate for developing within the national workforces, the skills and capacities required by the 21st Century. Towards this end, it was agreed that the Joint Working Group under the India-Sri Lanka MOU on the Education Exchange Programme would be operationalized at the earliest possible. Several measures funded by India to enhance cooperation in the field of education and training were also agreed upon. These include the Mahatma Gandhi scholarship scheme for 100 deserving Sri Lankan students every year, the upgradation of libraries and science laboratories in the Upcountry areas, the setting up of a Chair in Contemporary Indian studies in Peradeniya University and commissioning of a field study on vocational training centers.

14. It was noted that the training of 450 Sri Lankan Policemen has already commenced in different institutions in India.

15. Sri Lanka welcomed the donation of medical equipment as Tsunami relief to the affected hospitals of Point Pedro and of Hambantota. The Indian side announced that it had initiated action to prepare a Detailed Project Report on the rehabilitation of the tsunami-damaged Base Hospital in Trincomalee. The Indian side also indicated that construction of the new 150-bed Hospital at Dickoya in the Central Province is expected to commence shortly. The Government of India further announced that it would provide equipment to set up a fully-equipped Obstetrics and Gynaecology unit in the existing hospital at Dickoya.

16. Sri Lanka expressed her appreciation for the valuable contribution by the Indian Cultural Centre in Colombo, towards continuing a level of cultural interaction worthy of the longstanding historical and civilizational links between the two nations. President Rajapaksa declared the intent of

his administration to present in India during the course of next year, the rich and varied cultural heritage of Sri Lanka via a series of exhibitions and events. The Indian side welcomed this endeavour which would further spur people-to-people interaction, and also enhance intellectual and artistic exchanges. India further announced that it would hold an Exhibition of Contemporary Indian Art in Colombo during 2006.

17. Both the Heads of Government noted that a positive collaborative relationship was being established for the study and monitoring of the environmental implications of the Sethusamudram Ship Channel Project. They endorsed that the outcome of the collaboration must be to reach a common understanding as to whether there are environmental consequences and if so, the action to be taken to mitigate them. They directed towards this end, the continuation of the interaction, as and when necessary, between the concerned technical experts from both sides. They also noted that the Project would bring in its wake developmental opportunities.

18. Both sides reiterated the importance of continuing bilateral cooperation in the demarcation of the continental margins of the two countries.

19. The Indian side welcomed the proposal by Sri Lanka for economic cooperation within the Palk Bay area. India looks forward to Sri Lanka presenting her proposals in the form of a Paper, which would then be the subject of study by an India-Sri Lanka Expert Group. The report of the Expert Group could be considered during the ongoing CEPA negotiations.

20. The President of Sri Lanka and the Prime Minister of India noted that both countries have a record of unbroken commitment to the free and fair exercise of the franchise, and to democratic governance. The two sides were of the view that this common commitment, which is yet another of the many strong bonds between India and Sri Lanka, could be availed of by the establishment of India-Sri Lanka Parliamentary Friendship Associations in the national legislatures of both countries. They noted with satisfaction the formation of the Sri Lanka-India Parliamentary Friendship Association in the Sri Lankan Parliament on December 22, 2005, and the decision to form an India-Sri Lanka Parliamentary Friendship Group in the Indian Parliament. They envisaged that the Associations once established, would cooperate for the further development of democratic best practice, and for strengthening

bilateral relations. They accordingly recommended that the Speakers and the Members of the Parliament of India and of the Parliament of Sri Lanka, may consider expeditiously taking the necessary steps towards this end.

21. The President of Sri Lanka briefed the Indian leadership on his approach to the peace process to achieve maximum devolution which preserves the unity and territorial integrity of Sri Lanka. The two sides agreed that an enduring solution can emerge only through internal political processes that promote consensus and reconciliation. India reiterated its support for a process of seeking a negotiated political settlement acceptable to all sections of Sri Lankan society within the framework of an undivided Sri Lanka and consistent with democracy, pluralism and respect for human rights. India continues to maintain an abiding interest in the security of Sri Lanka and remains committed to her unity, sovereignty and territorial integrity. The Indian side expressed the hope that a political settlement of the ethnic issue based on devolution, openness, transparency and inclusivity would emerge through negotiations between the parties concerned, so as to ensure a peaceful and bright future for all Sri Lankans in an undivided and democratic Sri Lanka.

22. The President of Sri Lanka apprised the Prime Minister of India of recent attacks on Sri Lankan security forces and other ceasefire violations. The two leaders deplored violations of the ceasefire, which could undermine the prospects for peace in Sri Lanka. The Indian side welcomed the Sri Lankan Government's offer for early resumption of peace talks. Both sides emphasized the need for the strict observance of the ceasefire and immediate resumption of talks aimed at strengthening the ceasefire.

23. Sri Lanka is appreciative of the Indian offer to provide intellectual and academic resources in support of the peace process. The Sri Lankan side thanked the Indian side for the presentation, during the Presidential State visit, on distribution of powers between Centre, States and local government in India.

24. The State Visit by President Rajapaksa is testimony to the excellent relations between the two countries. President Rajapaksa invited their Excellencies the President and the Prime Minister of India to visit Sri Lanka at mutually convenient times.



**(iv) SOUTH-EAST, EAST ASIA
AND
PACIFIC**

267. Press release of the Prime Minister's Office stating that Prime Minister wants Comprehensive Economic Cooperation Agreement talks with ASEAN speeded up.

New Delhi, June 29, 2005.

PM wants CECA talks with ASEAN speeded up. Calls for greater economic integration with neighbours in South Asia.

Government will facilitate capacity building in policymaking and strengthen competitiveness of domestic industry.

The Comprehensive Economic Cooperation Agreement (CECA) being signed today by the Prime Ministers of India and Singapore in New Delhi will take India another step closer to a CECA with the Association of South-East Asian Nations (ASEAN).

Prime Minister Dr. Manmohan Singh has asked the Trade and Economic Relations Committee (TERC) to come forward with proposals to enable forward movement on negotiations for an India- ASEAN CECA. Noting the fact that over the past decade successive Governments have reiterated their commitment to bring India's tariffs in line with ASEAN rates, the Prime Minister said that while this would benefit all of India's trade partners it is necessary to place trade and investment liberalization with respect to India's neighbours and ASEAN countries on a "faster track".

Dr. Manmohan Singh told the TERC, "we must enlarge our economic interaction and integration with SAARC, BIMSTEC and ASEAN, and find creative solutions to overcome existing hurdles. We must become a partner in the economic progress of our neighbours."

The PM also asked the ministries of finance, commerce and external affairs to strengthen research and policy making capabilities in the area of external trade and economic relations both within Government and outside. The TERC was also asked to produce an annual review of India's external economic relations. The Investment Commission and the National Manufacturing Competitiveness Commission have been asked to take into account the concerns of domestic industry and come forward with ideas to facilitate the transition to a more open economy, more closely engaged with all our neighbours in South and South-east Asia.



268. Press release issued by the Ministry of External Affairs on the First BIMSTEC Energy Ministers' Conference.

New Delhi, October 4, 2005.

First BIMSTEC Energy Ministers' Conference was held in New Delhi on October 4, 2005. One of the main objectives of the Conference was to give impetus to intra-BIMSTEC cooperation in Energy sector.

BIMSTEC-an acronym for Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, is a grouping for regional cooperation. Its current membership includes Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka & Thailand.

In the First BIMSTEC Summit held in Bangkok on July 31, 2004, energy was identified as one of the sectors for focused cooperation. At the Summit, Prime Minister of India had offered to host the BIMSTEC Ministerial Conference on Energy Cooperation.

The Conference deliberated upon various options and strategies for expanding and strengthening cooperation in energy sector and adopted a Ministerial Declaration in this regard on October 4, 2005. It also approved a Plan of Action to implement the decisions of the Conference.

The BIMSTEC Energy Ministers agreed to a vision of electric grid connectivity in the region by developing country-to-country grid inter-connections for ultimately facilitating flow of electricity across the region.

The Conference recognized the need for detailed feasibility studies and techno-economic agreements between and among participating countries to allow for the optimal utilization of the natural gas resources of the region.

It was also agreed to develop hydro power potential of the region, suitably addressing the concerns regarding rehabilitation and environment. The Energy Ministers, inter alia, agreed that all hydro power projects, irrespective of their size are clean and renewable sources of energy.

Special emphasis will be laid for promoting non-conventional energy sources and harmonization of standards. Joint R&D activities would be undertaken for development of cost effective technologies for developing non-conventional energy resources.

The Conference recognized the potential of energy efficiency measures in promoting economic growth and competitiveness of respective economies of the member countries. Efforts will be made to harmonize Standards and Labelling within BIMSTEC countries. Building, domestic appliances and transport have been identified as key areas for focusing attention in respect of energy conservation.

The Conference called upon for experience sharing in reforms, restructuring and best practices in Energy sector. It has been decided to establish a BIMSTEC Centre for Energy for facilitating energy studies and exchange of expertise.

The Ministers agreed to enhance Energy Security through optimal development of energy resources of the region, namely, oil, gas, hydropower, coal, biofuels and other non conventional energy resources.



269. Media briefing by Secretary (East), Rajiv Sikri on the visit of Prime Minister Dr. Manmohan Singh to Kuala Lumpur.

New Delhi, December 9, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good afternoon everybody and welcome to this special briefing by Shri Rajiv Sikri, Secretary (East), on the forthcoming visit of the Prime Minister to Kuala Lumpur.

Secretary (East) (Shri Rajiv Sikri) : Good evening ladies and gentlemen.

As you are aware, Prime Minister is leaving on Sunday the 11th of December for Kuala Lumpur to attend the India-ASEAN Summit. This is the fourth India-ASEAN Summit. The Summit has been held every year since 2002. It has become a regular feature and an important event in India's diplomatic calendar. This year there will also be the first East Asia Summit on the 14th of December at Kuala Lumpur to which Prime Minister has been invited along with the leaders of 10 ASEAN countries and China, Japan, Republic of Korea, Australia and New Zealand.

The visit of Prime Minister for the India-ASEAN Summit constitutes

a very important dimension of our diplomacy, to bring together the different strands of India's 'Look East' policy which is acquiring a greater importance in our overall foreign policy. It is also the occasion where the leaders of the region meet at the highest level. India-ASEAN cooperation over the years has been steadily and very satisfactorily going ahead. One of the parameters to judge this is our trade which was, according to figures that I have with me, nearly 18 billion dollars last year and has been increasing at about 25 per cent or perhaps even more this year. We do not have the full figures for this year but it should be about 22 or 25 billion or something like that.

In Bali two years ago, leaders of India and ASEAN had signed Framework Agreement for Comprehensive Economic Cooperation. One of the elements of that was a Free Trade Agreement on which two sides have been negotiating and the issue of rules of origin has been resolved. We are now very hopeful that FTA negotiations would be completed shortly and that the FTA would come into effect within a year or so.

We have also set up, in the new ASEAN member-States of Cambodia, Laos, Myanmar and Vietnam, Entrepreneurship Development Centres. The one in Laos is fully functional and the Laos side is very happy. The others are in the process of being set up.

There are other elements of our relationship like offers of lines of credit, better connectivity through air, rail and road links. You have no doubt noticed how air connectivity has dramatically improved in the last couple of years between ASEAN countries and India. This is because there is a demand of tourists, of businessmen to look for the opportunities much more actively. We have also been working through RITES on feasibility study for a rail link between India and Myanmar. Discussions are going on for an India-Myanmar-Thailand highway.

In other sectors also like health, agriculture, transport and infrastructure, science and technology, we have had regular interaction with ASEAN partners. There are a number of project activities that are under way.

At the Summit the leaders will review what has been achieved, come up with new ideas, and give the directives to the Ministers and the senior officials for follow up action. I am sure that at this Summit also some new ideas will be put forward for taking forward a multi-faceted cooperation.

The overall relationship with ASEAN is supplemented and complemented by our increasing bilateral ties with the individual countries of ASEAN and the region as a whole. If one were to just look back over the last one year or so, you find that there have been visits to India by the President of Indonesia and Republic of Korea, the Prime Ministers of Thailand, Malaysia, Singapore, China, Japan and New Zealand. All these are countries which would be represented at the ASEAN Summit and at the East Asia Summit. We have also had the Senior General Than Shwe of Myanmar. Prime Minister himself was in Bandung in April and now he is going to Kuala Lumpur. These are only the Heads of State or Government visits that I am talking about. These are supplemented by so many more exchanges that have been taking place at different levels and between the States in India and the countries of ASEAN. In the coming months no doubt there will be more such visits from India to these countries and vice versa.

The first East Asia Summit has been much talked about. It is an event to which a lot of attention has been drawn because it will be for the first time that the Heads of State and Government of 16 of some of the more important countries in the world and certainly of this region will meet together. There are increasing inter-linkages and a growing inter-dependence between various countries who will be represented in the East Asia Summit. They are all trying to increase the scope of their cooperation, trade, connectivity, economic investments. It is expected that the East Asia Summit will lead to some progress in leaders exchanging views on what should be the future regional architecture and what would be the future shape of a community of the nations of the East Asia Summit.

Prime Minister Dr. Manmohan Singh, as you know, talked about his vision of increasing inter-linkages on various occasions - the India-ASEAN Business Summit last year and most recently at the World Economic Forum in the end of November and he has articulated the idea of an Asian Economic Community as the long-term objective. So, many people in the region have been thinking about this. Many leaders have been talking about this. Think tanks have been engaged in this idea. Last month one of the think tanks here had organized together with other think tanks a symposium on this. So, all these different strands of thinking will no doubt be reflected in the discussions.

The discussions will take place essentially in a retreat format. There

will be a formal session there but it will be essentially in a retreat so that the leaders can meet and discuss among themselves in an informal and free and frank manner their respective views on how various countries could be cooperating. India, I am sure, will be participating actively and constructively in these deliberations. This is the beginning of a process. We are not clear what the outcome will be.

Let me give you a few details about the programme. As I said, there is the India-ASEAN Summit meeting. This is supplemented by various informal meetings that take place on the margins of the gathering. There is the East Asia Summit on the December 14. There will be various bilateral meetings depending on the time available and the convenience on the various leaders. Prime Minister will be speaking on December 12 at Special Leaders Dialogue of the Business Advisory Council of ASEAN. Leaders of Korea and China, I think, are also speaking, maybe some others, I do not have all the details.

Of course, while he is in Kuala Lumpur, Prime Minister will be meeting with the representatives of the Malaysian Indian and the expatriate Indian community in Malaysia.

Question : Can you tell us something about the bilateral meetings that have been finalized?

Secretary (East) : He would certainly be meeting with his host the Prime Minister of Malaysia and maybe some other ASEAN countries and, of course, with some other non-ASEAN countries also. I do not know what has actually been finalized but probably with China, Japan and Korea. But it is subject to convenience and what fits into the programmes.

Question : Could you give us a sense of how discussions are going on especially about the Summit Declaration of ASEAN Plus Six Summit?

Secretary (East) : It is not an ASEAN Plus Six Summit; it is an East Asia Summit. It is probable that there would be some kind of a document to reflect it but it will be a very brief thing. As I said, it would be wrong to expect that in the first meeting. This is a top down driven initiative because there have been no meetings at the Ministerial level or any kind of serious preparatory thing. Let us see what emerges in the discussions the leaders will have. That is the heart of the East Asia Summit that sixteen leaders,

may be with just one other person with each leader, would be present in a room and talk around the table and discuss certainly development issues, regional architecture, trans-national issues. All these will come up for discussion. I suppose the effort will be to see what are the points of convergence where the sixteen can act together more effectively than individually or in smaller groups.

Question : Could you give us more details on India's view on the East Asian regional economic architecture, especially in view of reports that China is interested in ASEAN Plus Three?

Secretary (East) : The ASEAN Plus Three is an existing mechanism that has been there for many years. The East Asia Summit is not intended to supplant any of the existing mechanisms. These are all building blocks in what could be a new framework of cooperation. What shape it would take is difficult to say at this stage. As I said, this is merely the beginning of the process of a dialogue. But I think the leaders would agree to meet again. When? It is not clear. What would be the follow up? Leaders will meet and decide this matter.

Question : I have two questions. The first relates to FTA. There is supposed to have been an Early Harvest Agreement. I think it was to be implemented from April 1, this year. I just want to know whether it has started. Secondly, the United States is not invited to this East Asia Summit though President Putin will be present as a guest in Kuala Lumpur. Does India have a view about the American non-inclusiveness at the Summit?

Secretary (East) : As for the Early Harvest Programme, both sides agreed that they would not implement this because there had been no agreement on the rules of origin. The time has passed and now both sides have agreed that we would move on straight to the main FTA. As for the United States and other countries' possible participation, the understanding is that this is a process which is open and inclusive; that ASEAN is the guiding force of this process; and that future membership would be decided on the basis of criteria that have been established by ASEAN. These are: substantial relationship with ASEAN, full dialogue partnership with ASEAN, and acceding to the Treaty of Amity and Cooperation in South East Asia.

Question : Will it be a real East Asia Summit because Australia and New Zealand are also participating?

Secretary (East) : East Asia Summit concept flowed out of East Asia Vision Group and an East Asia Study Group that was set up in the late 90s by ASEAN and China, Japan and Korea. Then, last year at the Vientiane Summit the ASEAN decided that they would call the first East Asia Summit this year at Kuala Lumpur. They had a long process of internal discussion about who to invite for this Summit. It was after many months of deliberation that they came up with the three criteria, that I have just outlined, at the meeting of the ASEAN Ministers in a retreat in Cebu in Philippines. I think it was in April this year. This was formalized at the ASEAN Ministerial meeting in Laos in July this year. So, East Asia for the purposes of this Summit means all the countries who are participating. It is not a geographical connotation.

Question : Mr. Sikri, you have talked about the concept of East Asia Summit. Could you talk a little more about how this concept came about? Is it basically to take into its fold the important non-ASEAN countries like RoK, New Zealand, Australia, etc? And what is your agenda? Will it be all comprehensive inclusive of economy, trade, terrorism, etc? Who will be the international observers? Will it be countries like France, Germany, USA? Will there be UN observers?

Secretary (East) : As I said, it is the beginning of a process. One cannot say what shape it will take. As far as I am aware, there is no provision for the moment for any observer of the kind that you have mentioned. It is true that some countries outside the 16 have shown some interest in this organization. But the ASEAN have decided, and I have mentioned that ASEAN is in the driver's seat of this process, that for the first East Asia Summit only these 16 countries will be there. President Putin will be in Malaysia for the ASEAN-Russia Summit, a one off summit of the kind ASEAN had with Australia and New Zealand last year. Perhaps he may be invited as a guest of the host Malaysia for something on the margins of the East Asia Summit. But we are not quite clear. ASEAN are working in this.

Question Does India have a vision for the Summit? What are we looking for?

Secretary (East) : I think in my earlier remarks I have pointed out how this part of the world is increasingly becoming important in our foreign policy. In our foreign economic policy if you look at the various moves under way or

things that have already been done on establishing either FTAs or comprehensive economic cooperation agreements, you would understand that we have signed India-Singapore Economic Cooperation Agreement in June. We have an India-Thailand FTA. We have just concluded, or about to conclude, a Joint Study Group Report on Malaysia. When the Indonesian President was here we agreed to set up a Joint Study Group to examine a CECA with Indonesia. We have similar joint study groups with the Republic of Korea and Japan which are meeting. We have moves for a BIMSTEC FTA. We have a SAARC SAFTA which is there. We are discussing with the Gulf Cooperation Council. So, there is a lot of integration that is happening. I have just also listed out for you bilateral contacts with these countries. Our trade and economic relations with this part of the world constitute about 30 per cent of our overall foreign trade. That is a large chunk. This is also an area of growth and dynamic economies. It is most natural that India should seek to be plugged into important growth areas. Foreign trade is now an increasingly important component of our overall GDP. As I have mentioned earlier, Prime Minister himself has spelt out his vision of area from the Himalayas to the Pacific where there is free movement of capital goods, creativity, ideas. He has talked about a pan-Asian FTA at the India Economic Summit. So, these are some long-term visions that are there.

Question : Coming back to FTA with ASEAN, does it mean that we will have an agreement similar to the one that we have with Thailand, Indonesia, etc?

Secretary (East) : There are certain things. With ASEAN we have to establish a common denominator for all the ten ASEAN countries. With individual countries you have different parameters because you have to have the same negative list or the same approach for the ten ASEAN countries. It could be different from the individual countries. It is not necessary that what has been agreed with an individual country is necessarily what will apply in the case of ASEAN as a whole.

Question : Will the FTA be finalized during this visit?

Secretary (East) : As I said, the rules of origin have been finalized. But the other details still have to be negotiated including the sensitive list, the negative list. So, that will take a few months.

Question : Will there be any signing?

Secretary (East) : The framework agreement has already been signed. That was signed two years ago in Bali. So, this is no actual signing.

Question : Do you envisage any rivalry with China in this region?

Secretary (East) : I do not think that we are looking at that kind of a scenario in Asia. Our own relationship with China is progressing very well. Our economic relationship and trade are doing very well. We do not see any need for rivalry with China, India or China kind of situation.

Question : Malaysia has been making some noises about the inclusion of Australia. Do you have anything to say?

Secretary (East) : I am not aware that there is any reservation on the part of Malaysia because there is a common ASEAN position which is that all these countries, which I have just mentioned, will be included in the first East Asia Summit.

Question : Could you give us some more details on the FTA and the rules of origin? What is the exact position? What are we looking for? Is that the only sticking point?

Secretary (East) : I think you will have to talk to our commerce negotiators to get the more detailed briefing. But let me try and tell you whatever I understand. The rules of origin are meant to ensure that only those goods which originate in the ASEAN countries get the preferential access to the Indian market and that there is no diversion from other countries via ASEAN. Certain criteria are invariably laid down that there must be a certain minimum value addition; that there must be a change in tariff heading at a certain four-digit or six-digit level; that there should be some minimal transformation; that some processes are described; and that for certain items there could be product-specific rules. That is as far as I can say. For more details I am afraid you will have to talk to our commerce negotiators.

Question : But is that the only sticking point?

Secretary (East) : No, there is also the issue of what is going to be the negative list on which duty free access will not be given. There may be some items which are sensitive for us and certain items which are sensitive for ASEAN. But the FTA would cover substantially all trade between India and ASEAN when it is fully kicked in which would be 2011 in the case of original six ASEAN countries, and 2016 I think for the CLMD countries.

Question : We have received the video footage from Singapore which shows images of Mahatma Gandhi painted on a slipper. It has been there for the past almost one month. Also, in the past there have been instances in some countries of images of Hindu Gods and Goddesses being printed on footwear. What do you intend to do with regard to the instance in Singapore?

Secretary (East) : This is the first time that I am hearing about it. We will look into it.

Question : Will India push for the expansion of ASEAN Plus Three to ASEAN Plus Four?

Secretary (East) : I do not think there is any move to have an ASEAN Plus Four. What is now is much wider architecture of ASEAN plus these six other countries.

Question : Sir, you talked about how our trade is evolving with these countries. Do you want it to remain a primarily economic relationship or will it expand into a geo-strategic relationship?

Secretary (East) I think the issues that would be discussed will be also going beyond the purely economic. But I would not go to the extent of saying this could be geo-strategic. There are countries outside these 16 which have important interests there. I would like to reiterate what I mentioned earlier that this is an open and inclusive forum. That is one of the principles which has been agreed upon.

Question : The last two-three Summits of ASEAN have mainly focused on trade. But we notice that security and counter terrorism have been taking the centre stage in these countries especially Indonesia, Thailand and Philippines. Now India has also been plagued by this. Is there any agenda for India for this Summit on these issues?

Secretary (East) : Cooperation with the ASEAN in the field of counter terrorism is envisaged. The leaders issued a statement on cooperation in the field of counter terrorism. It was at the Bali Summit in 2003. We do have individual working groups and other cooperation with the individual ASEAN countries. With the ASEAN as a whole also we have been participating in various workshops that have been organized with interaction between counter terrorism centers that are located in the region. This is a part of the

activity covered under the ARF also in which India has been an active participant. We have also hosted many events. So, yes, counter terrorism is an important element of cooperation with ASEAN.



270. Statement by Prime Minister Dr. Manmohan Singh on his departure for Kuala Lumpur to attend the India – ASEAN Summit and East Asia Summit.

New Delhi, December 11, 2005.

I am leaving for Malaysia today to participate in the 4th India-ASEAN Summit and the 1st East Asia Summit that will be held on 13-14th December.

The India-ASEAN Summit is an occasion to review the progress that has been made in our relationship with the ASEAN countries and consider new initiatives for cooperation that we could undertake jointly. Our relations with ASEAN as a whole, and with its individual members, have progressed steadily and satisfactorily over the years. They have acquired a qualitatively new dimension since 2002, when we initiated our annual Summit Dialogue. We attach great importance to our relations with ASEAN, which constitute a central element in India's 'Look East' Policy¹.

1. Talking to newsmen accompanying him on board the flight that brought the Prime Minister to Kuala Lumpur, Dr. Manmohan Singh said India did not need to look West to attract investments, but should focus on South-East Asia and East Asia as the region has the largest savings surplus in the world. He said East Asia and South-East Asia were of the "greatest importance" to India as it sought more investments. He said India had a "benign" relationship with South-East Asia and had no dispute with any country there. Reiterating India's determination to conclude a free trade area agreement with the ASEAN, Dr. Singh said New Delhi's vision at the East Asia Summit was to bring about an Asian Economic Community. He said the Asian Economic Community would constitute a "new magnet, a new pole" for growth and stability in the world economy. Asked about the resistance New Delhi to the operation of Chinese companies, Dr. Singh said he welcomed Chinese investments. "We need faster growth of our economic exchanges with China. Our trade is growing at a healthy rate. I expect that in the years to come more Indian companies will invest in China. Several Indian pharmaceutical companies are already in China," he said. Asked whether China was trying to limit India's growth, Dr. Singh said it was a "misconception" that the countries were competitors. "India and China are partners. It is our effort to engage China in greater economic interaction. Our relations with China are moving in a healthy direction. India and China were also able to agree on basic guiding principles to resolve their border dispute. We are hopeful that we can make progress with China, but also in resolving our border issue." Describing the Congress as the author of India's "Look East"

The First East Asia Summit would be a historic event. It would be the first ever gathering of leaders of countries that have made the region an engine of growth for the entire world economy. It is the beginning of a process that brings together countries with increasing inter-linkages and growing inter-dependence. It is our expectation that the Summit would articulate a collective long-term vision for shaping the regional architecture and promoting community-building.

While in Malaysia, I will also address the Special Leaders Dialogue organized by the ASEAN Business Advisory Council and interact with local business leaders. Malaysia has a very large population of people of Indian origin and I will be meeting them and the expatriate Indian community.

During my stay, I will get an opportunity to interact with the leaders of countries who will be in Kuala Lumpur at that time. I would be holding bilateral discussions and reviewing bilateral relations with our host and the other leaders present.



271. Media briefing by Prime Minister Dr. Manmohan Singh on-board Special Aircraft to Kuala Lumpur to attend 4th India-ASEAN Summit and 1st East Asia Summit.

December 11, 2005.

Prime Minister (Shri Manmohan Singh) : Ladies and gentlemen, the Look-East Policy was first elaborated by the Congress Government in 1991. I am happy to note that that initiative, which at that time looked visionary, has enormously increased our linkages with the countries of ASEAN and countries of East Asia. Our trade with South Korea, our trade with China, our trade with ASEAN countries, is increasing at a handsome rate. Also, we are forging new linkages in trade and services. In the years to come, I believe investment flows will also figure very prominently in exchanges between India and countries of ASEAN, and other countries of East Asia.

policy, the Prime Minister said the country's trade with East Asia and ASEAN was growing at a "handsome rate". In the years to come investment flows would figure prominently in exchanges between ASEAN and East Asia.

Ten years ago nobody could imagine that South Korea will be such a large investor in India. Today, that is a reality. There is a new wave in Japan looking at the possibilities not only of trade but of investment and cooperation in many other ways between India and Japan. So, this visit is of great importance for us. It is in a way a fulfilment of our commitment to Look-East Policy, to work closely with the countries of South-East Asia and East Asia. That is because in many ways we have a benign relationship with East Asia and South-East Asia.

Indonesia is our neighbour; Myanmar is our neighbour; with Malaysia we have a long historic link; with Thailand we are forging together a new relationship in BIMSTEC. These are all countries with which we have no disputes of any kind. Therefore, on this benign background we can build up a healthy economic relationship covering trade, investment flows. In the years to come, we have to notice that the largest savings surplus of the world is in East Asia and South-East Asia. So, if we are looking for investment, we do not have to look West. The real surplus resources, surplus savings, are in East Asia and South-East Asia. In our quest for more foreign investment in our country, this is the region of greatest importance. That is why, my meetings with the ASEAN leaders are of great importance.

I will reaffirm the commitment of our Government to work out a Free Trade Arrangement with the ASEAN countries. At the East Asian Summit I will spell out the vision of India to work with other like-minded countries to bring about an Asian Economic Community, which will constitute a new magnet, a new fold, for growth and stability in the world economy.

* * * *

Question : On your reference to the East Asia Summit and South East Asia, one of the things that we have seen is there is some resistance within sections of the Government to greater economic interaction especially with China and through the North-East especially. There has been resistance to Chinese companies operating and expanding in India. As part of your Look-East Policy, are you looking to remove some of these obstacles?

Prime Minister : We need a faster growth of our economic exchanges with China. Our trade is growing at a healthy rate. I expect that in the years to come, more Indian companies will invest in China. Several pharmaceutical

companies of India are operating in China. I welcome Chinese investment in our country.

Question : Through the Yunnan Province there are proposals like the PCIM initiative which India is not ...

Prime Minister : We should look at all proposals which establish closer linkages between India and ASEAN countries and India and East Asia.

Question : Are you hopeful of India getting a berth in the Core Committee at the East Asian Summit?

Prime Minister : All these matters as to what shape the East Asia Summit will take, what permanent arrangements will be made, are the subject matter of discussion. The very fact that we are invited to take part in it, is a measure of our potential to contribute to the economic growth of East Asia.

Question : The world is again getting divided into blocs – the European Community and the Asian Community. ...Inaudible...

Prime Minister : Let me say that regionalism has come to stay. There is a regional trading arrangement in Europe. The European Union is more than a trading arrangement, it is a community. The American continent also has seen an upsurge of regionalism. In this background, I do not think there is anything wrong in Asian countries coming together to forge the growth of an Asian Economic Community. In the final analysis, all these three groups must adopt convergent policies to contribute to world growth.

Question : There is one of the concerns that China might try to prevent Indian firms ... (Inaudible)...

Prime Minister : There is a misconception that India and China are in competition. India and China are economic partners. It is our effort to engage China in greater interaction with India. Our relations with China are evolving in a healthy direction. Even on the border issue, we have agreed on the basic principles, the guiding principles, which should guide alleviation of the border issue. We are hopeful to make, and we can make, progress not only in economic relations with China but also in solving the border issue.

Question : Could you spell out at what stage is the separation exercise of our civilian and military nuclear facilities?

Prime Minister : We have two groups – one on the US' side and one on our side. These groups are interacting. As far as the exercise for separation of civilian and military programmes, I think fairly advanced stage.

Question : Are you going to take up the issue of terrorism?

Prime Minister : Terrorism today is a world problem, international terrorism you have seen in our neighbourhood. (We have seen it in) Indonesia for the last several years. We have seen it in Philippines. So, I think it is now widely recognised that international terrorism constitutes a threat to the civilised world anywhere and everywhere.

Question : Mr. Prime Minister, some ASEAN countries were not too keen on India being included at this stage in East Asia Summit. They wanted that the Summit ... But China supported it I think.

Prime Minister : It is a fact that we are invited. I think we should look at the outcome. I find there is a great support for India's engagement and India's involvement. The South-East Asian countries recognise that a fast-growing Indian economy with a Gross National Product of over seven hundred billion, growing at the rate of seven to eight per cent, has beneficial impact on growth processes in South-East Asia as a whole.

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Question : Is there any effort to join ASEAN-Plus-Three?

Prime Minister : We are already in ASEAN Plus-Three.

Question : *How important is the East Asia Summit for India?*

Prime Minister: *I am saying it is very important. The speed at which our trade is growing with East Asia, it is not growing with the same speed with any other country. Look at the investment that is coming into India from South Korea. Whether it is China, South Korea or Japan, I see enormous scope for expanding trade and investment flows between our countries.*

Question : How do you react to the presence of Australia and New Zealand in the East-Asia Summit?

Prime Minister : We are happy that Australia and New Zealand are there.

* * * *

Question : Now that ...(Inaudible)... important economic agenda of the Government ...(Inaudible)...

Prime Minister : The economic agenda of the Government is now well laid down. We have, in the last one and a half years, taken several initiatives. There is the employment guarantee programme. We have now to implement it and see that it is expanded all over the country in the next four years. We have come out with the Rural Health Mission covering eighteen States. We have to implement it and see that the health status of our nation improves very substantially. We have come out with Bharat Nirman, a programme to improve rural infrastructure like power, roads, telecom, and other facilities. We have to implement that. We have only last week launched the Urban Renewal Mission which seeks to improve the quality of living of our citizens ... We have now a clearly set agenda. Never before in our history, I think, any Government in one year has come out with so many initiatives. Our overall thrust is to ensure our economy grows at the rate of 8-10 percent per annum and the fruits of this growth reach the poorer sections of our society, that our agriculture is able to receive a proper push. We need a second Green Revolution in agriculture.

* * * *

Question : Mr. Prime Minister, on your larger kind of vision for East Asia and South-East Asia, there is some impression that India seems closer to the United States than other member-countries in Asia. So, what is your larger strategic vision for India?

Prime Minister : I have said that coming to trade, technology flow, investment, South-East Asia and East Asia are the two regions of greatest importance for the future growth of our economy.

{The text in italics is translated from Hindi.}



272. Keynote address by Prime Minister Dr. Manmohan Singh at Special Leaders' Dialogue of ASEAN Business Advisory Council.

Kuala Lumpur, December 12, 2005.

I am indeed very happy to have the opportunity to address such an important forum as yours. I thank Dato Ajit Singh for the kind words that he has spoken about me and my country. He is an old friend and I believe it is customary on such occasions to praise one's friends. But I have known him for many-many years when he was in the Malaysian Civil service, then he rose to head the ASEAN Secretariat. We have great admiration for him in our country as a great friend of India and a great ambassador of goodwill for ASEAN. I take his opportunity to thank the ASEAN Business Advisory Council for inviting me to outline our vision of the India-ASEAN partnership. I assure you we take this partnership very seriously and we are determined to carry this partnership to an ever-expanding horizon.

Some of you might recall that in 1992, our Government launched India's "Look East Policy". This was not merely an external economic policy, it was also a strategic shift in India's vision of the world and India's place in the evolving global economy. Most of all it was about reaching out to our civilizational neighbours in South East Asia and East Asia. I have always viewed India's destiny as being inter-linked with that of Asia and more so South East Asia. I reiterate India's commitment to work with ASEAN and East Asian countries to make the 21st century truly an Asian century.

India's share in the global flows of goods, services, knowledge and culture has grown exponentially in the past decade. Today, our external economic profile is robust and re-assuring to investors, at home as well as abroad. After registering an 8 per cent rate of growth in 2003-2004, our economy recorded upwards of 7.0 per cent growth for two years in a row. Indeed, in the first half of the current fiscal year, we have touched 8.5% and it is our ambition in the next three-four years to raise India's growth rate to the range of 9 to 10 per cent per annum. In the past year and a half, our policies relating to investment, taxation, foreign trade, foreign direct investment, banking, finance and capital markets have evolved to make Indian industry and enterprise more competitive globally. We have launched a massive program for rural renewal which will upgrade rural infrastructure and incomes and thereby expand the domestic market. New policies are

enabling public-private partnership in the modernisation of roads system, railways system, ports, airports, power and the entire urban infrastructure.

Today, I am happy to report to you that India is a vibrant marketplace. Our entrepreneurs are investing overseas successfully. Businesses from abroad, including from ASEAN, Japan and the Republic of Korea, find India a productive and profitable business destination. Similarly, the gathering momentum of India-China relations is visible in the expansion of our bilateral economic ties. The process of engagement in the Asian region has truly taken off. I am confident it will be self-sustaining, enhancing direct contact between peoples and civil societies of the region.

The challenge that faces all of us today is to create and maintain a regional and international environment that enables us to attain and sustain high rates of economic growth. We must create opportunities for entrepreneurship to flourish not only locally, but also regionally and globally. Economic activity cannot be confined to national borders; it must be channelled to fuel growth in each other's countries. Regional trading arrangements have become important building blocks of multilateralism in an increasingly globalized world that we live in.

Therefore, India seeks closer economic interaction with ASEAN. We are committed to bringing down our tariffs to levels prevalent in ASEAN countries, to dismantle unwanted barriers and to expand global capital flows. We must walk this road together with ASEAN, so that enterprises in our countries find it a mutually beneficial process, not a hurtful one. There may be losers, and there will certainly be gainers, but on the whole, we will obtain a win-win outcome and that should be our ambition to work jointly.

In this context, India has concluded a Framework Agreement on Comprehensive Economic Cooperation with ASEAN in 2003 and with Singapore more recently, a few months ago. We are developing a similar model with Thailand, and are setting up a Joint Study Group for conclusion of Free Trade Agreements with Malaysia, Indonesia, Japan and the Republic of Korea. We are also examining ways to develop regional trading arrangements with our great neighbour - China. These are all milestones on the road to the eventual creation of an Asian Economic Community, or the 'arc of prosperity' that I envisage to become a reality in the early part of the 21st century.

I believe the objective basis for the economies of our region to come together already exists. The subjective desire to create an East Asian Community, bringing together ASEAN, China, Japan, Korea, and also Australia and New Zealand, is manifest. Like the North American Free Trade Area, and the expanding European Union, a Pan-Asian FTA will be a dynamic, open and inclusive association of the countries of our vast region. This will not be easy, and it cannot be done in a day. There will be sceptics. But for believers, it is eminently possible. I am convinced that this is the only way to move forward and India wishes to associate with other like-minded countries to make it happen.

I believe that the East Asian Community is a natural extension of the ASEAN-India engagement process. The India-ASEAN Free Trade Agreement can become the first step in the process. The limited Free Trade Area is a beginning but we must ensure that it leads to explosive growth – both in trade and investment.

The essence of the idea is to build up closer linkages among India and the countries of the ASEAN. This we believe can be done through identifying and drawing upon each other's strengths. The key to the future is the development of new synergies. In the 1960s, synergies between scientists in India and scientists at the International Rice Research Institute in the Philippines contributed to the dawn of Green Revolution in India. This resulted in filling India's granaries with food grains. We have both benefited from each other.

Today India has developed expertise in high technology areas such as Information Technology, Space, Biotechnology and Pharmaceuticals. We are ready to share our skills in these sectors with our partners in ASEAN and other developing countries. Each of these sectors presents its own opportunities for India-ASEAN cooperation.

With the growing recognition of complementary strengths, India is developing increasing links to ASEAN and East Asian production networks. These links relate to the knowledge intensive segments of the value chain. They include software development, R&D, engineering and designing and high quality manufacturing, and are invaluable to the furthering of the process of integration.

The best aspect of our renewed engagement is that both of us

recognise now that we have something to offer one another. The ASEAN region has an abundance of natural resources and significant technological skills. These provide a natural base for the growth of synergies and integration between ASEAN and India - in both trade and investment. I believe we can double the present level of bilateral trade by 2007, reaching a target of US\$30 billion by then.

I am therefore happy that the inaugural meeting of the ASEAN India Business Council was held in May 2005 in this very beautiful city. The Council must be active to exert pressure on Governments to move faster than they are wont to do. It must reach out to all stakeholders in India and ASEAN member countries to mobilise opinion in favour of greater regional interaction. I look forward to working with leaders in this region for the future success of India- ASEAN cooperation and that of the East Asian community. On behalf of the Government of India, I pledge myself to work with all like-minded countries and like-minded friends to make the future happening.



273. Speech by Prime Minister Dr. Manmohan Singh at the meeting with the Indian Community in Malaysia.

Kuala Lumpur, December 12, 2005.

I am delighted to be here with members of the Indian community in Malaysia. I believe the Malaysian-Indian community represents the largest concentration of Persons of Indian Origin living outside the Indian sub-continent. This makes our interaction this evening even more significant. However, it is not numbers alone that make you so special. You have, for generations, kept the spirit and the idea of India alive in this home away from home. I commend you for it. I salute you.

The 'Little Indias' which we see in so many towns in Malaysia are more than geographical spaces. They are repositories of the sentiment that links people of Indian origin to their Motherland. I compliment you for the affection that you still have for the land of your ancestors. I salute you too for your commitment to the progress and prosperity in Malaysia. It is a

unique characteristic of our people that while being devoted to Mother India, they are also loyal to their new, adopted homeland.

I acknowledge the presence in this hall of the senior Minister and President of the Malaysian Indian Congress, Dato'Seri S. Samy Vellu. We in India know him as a good friend of long standing and high repute. He has made numerous friends in all walks of life in India and constitutes an important bridge between our two countries. He is a great son of Malaysia, and a great friend of India.

While the large migration of Indians to Malaysia during the colonial era provided the bedrock linking our countries, the more recent second wave of skilled professionals has provided an economic impetus which will surely serve us well in the years to come. Your presence in Malaysia will make it easier for us to rapidly upgrade our economic relations to a new, higher level.

The relations between India and Malaysia go back many centuries and have always been characterized by peaceful and productive people-to-people contact and cultural cross-fertilization. Malaysia has been a good host and a society open to influences from abroad. Tolerance of diversity, choosing the best from other civilizations and seeking to blend them into a unique and harmonious culture makes Malaysia truly unique.

We in India, admire Malaysia's achievements. We are proud that the Indian community here has contributed in no small measure to the progress of this beautiful land. Within the space of a single generation, Malaysia has transformed itself into a modern industrialized economy, increasingly looking towards knowledge-based and high technology industries to fuel its future growth and expansion. There are therefore, great similarities among our two countries and indeed, among our perspectives of the world as a whole.

Malaysia is also a moderate and progressive Islamic State which represents a successful development model having relevance for the future in the 21st century. As a modern and industrialized state with business and investor friendly policies, it has shown that Islam and modernity are perfectly compatible. Rejecting the thesis of a 'clash of civilizations' you have shown, like India, that a 'confluence of civilizations' is in fact possible and in fact, the only possible to make success in this 21st century.

I bring to you the message that India too is on the move. India is increasingly viewed as a land of opportunities, of new possibilities. Indians are viewed across the world now as a people who respect knowledge, creativity and enterprise. Our vibrant democracy and the well established rule of law have provided a resilient base for steady economic growth with stability. These are free India's biggest assets. Our Government is committed to taking this reform process further. A reform process that emphasizes caring for the common man, ensures that no one is left behind and includes all sections of society in our march forward to progress and prosperity. India was always open to the world culturally; we are now also open economically as well. I invite you to take advantage of this new openness of our economy.

Malaysian firms are now actively participating in the Indian economy, and our bilateral trade is growing satisfactorily. But we cannot be satisfied with the status quo. I would also like to see Indian companies participate in projects in Malaysia. The Comprehensive Economic Cooperation Agreement (CECA) with this country that Prime Minister Badawi and I agreed to initiate, will I sincerely believe, transform the bilateral relationship.

Education is an area that offers immense potential. I am happy to note that a significant proportion of practicing doctors and legal luminaries in Malaysia have obtained professional degrees from Indian universities. However, since the 1980's this trend has slowed down for several reasons. We must not only reinstate our traditional educational linkages but provide them with a fresh momentum. The Government of India will work with you to make this happen.

You will be happy to know that we are concluding an MOU with Malaysia in education, in which Mutual Recognition Arrangements of educational qualifications is an integral component. We will find new projects to replicate the successful twinning experiment between the Melaka-Manipal Medical Colleges. Our Government is considering several proposals to increase the number of seats available to persons of Indian origin in our educational institutions. The idea of establishing an exclusive PIO University is also being considered. The feedback from the PIO community the world over on this initiative has been extremely encouraging.

I invite you to join in the exciting journey of creating a new India, an India that is open to all its children, and India that cares for all, that lives for

all, that is home to all. I thank you once again for your kind hospitality in this beautiful city of Kuala Lumpur.



274. Proposals announced by Prime Minister Dr. Manmohan Singh at the 4th India-ASEAN Summit.

Kuala Lumpur, December 13, 2005.

Prime Minister Dr. Manmohan Singh announced the following proposals at the 4th India-ASEAN summit at Kuala Lumpur today:

Centres for English Language Training (CELT) in Cambodia, Laos, Myanmar and Vietnam

It is proposed that permanent Centres for English Language Training (CELT) be set up in Cambodia, Laos, Myanmar and Vietnam. The objective would be to equip students, civil servants, professionals and businessmen with adequate English language and communication skills.

Tele-medicine and tele-education network for Cambodia, Laos, Myanmar and Vietnam

It is proposed that a tele-medicine and tele-education network be set up for Cambodia, Laos, Myanmar and Vietnam (CMLV). The four countries would be linked with India through a satellite-based network.

Special Course for Diplomats from ASEAN countries

It is proposed that a Special Training Course be organised for diplomats from ASEAN countries through the Foreign Service Training Institute.

India-ASEAN Technology Summit

An India-ASEAN Technology Summit is proposed to be organised in 2006 through the Department of Science & Technology and Confederation of Indian Industry (CII).

Education Fairs and a Road Show in ASEAN countries

It is proposed that Education Consultants India Ltd (EdCIL) organise

education fairs and a road show in ASEAN countries in 2006. Both public and private Universities and educational institutions will be associated with the initiative.

India-ASEAN IT Ministerial and Industry Forum

It is proposed that an India-ASEAN IT Ministerial and Industry Forum be organised in 2006 through the Department of Information Technology.



275. Kuala Lumpur Declaration issued at the end of the East Asian Summit.

Kuala Lumpur, December 14, 2005.

“We, the Heads of State/Government of the Member Countries of the Association of Southeast Asian Nations (ASEAN), Australia, People’s Republic of China, Republic of India, Japan, Republic of Korea and New Zealand, on the occasion of the historic First East Asia Summit on 14 December 2005 in Kuala Lumpur, Malaysia;

Recalling the decision of the 10th ASEAN Summit and supported by the 8th ASEAN Plus Three Summit held on 29 November 2004 in Vientiane, Lao PDR, to convene the first East Asia Summit in Malaysia in 2005;

Reiterating our commitment to the purposes and principles of the Charter of the United Nations, the treaty of Amity and Cooperation in Southeast Asia and other recognized principles of international law;

Acknowledging that in a rapidly changing international environment, our economies and societies have becoming increasingly interlinked and interdependent;

Realising the increasing range of challenges facing the world and the need for concerted regional and global efforts to respond to these challenges;

Recognising our shared interests in achieving peace, security and prosperity in East Asia and the world at large;

Desirous of creating a peaceful environment by further enhancing co-operation and strengthening the existing bonds of friendship among our

countries in keeping with the principles of equality, partnership consultation and consensus thereby contributing to peace, security and economic prosperity in the region and the world at large;

Convinced of the importance of strengthening bilateral and multilateral interactions and cooperation among the participating countries of the East Asia Summit and the world at large on issues of common interest and concern in order to enhance peace and economic prosperity;

Reiterating the conviction that the effective functioning of multilateral systems will continue to be indispensable for advancing economic development;

Recognising that this region is today a source of dynamism for the world economy;

Sharing the view that the East Asia Summit could play a significant role in community building in this region;

Further Recognising the need to support efforts to build a strong ASEAN Community which will serve as a solid foundation for our common peace and prosperity;

Do Hereby Declare :

First, that we have established the East Asia Summit as a forum for dialogue on broad, strategic, political and economic issues of common interest and concern with the aim of promoting peace, stability and economic prosperity in East Asia.

Second, that the efforts of the East Asia Summit to promote community building in this region will be consistent with and reinforce the realisation of the ASEAN Community, and will form an integral part of the evolving regional architecture.

Third, that the East Asia Summit will be an open, inclusive, transparent and outward-looking forum in which we strive to strengthen global norms and universally recognized values with ASEAN as the driving force working in partnership with the other participants of the East Asia Summit.

Fourth, we will focus, among other things, on the following:

Fostering strategic dialogue and promoting cooperation in political and security issues to ensure that our countries can live at peace with one

another and with the world at large in a just, democratic and harmonious environment;

Promoting development, financial stability, energy security, economic integration and growth, eradicating poverty and narrowing the development gap in East Asia, through technology transfer and infrastructure development, capacity building, good governance and humanitarian assistance and promoting financial links, trade and investment expansion and liberalisation; and

Promoting deeper cultural understanding people-to-people contact and enhanced cooperation in uplifting the lives and well-being of our peoples in order to foster mutual trust and solidarity as well as promoting fields such as environment protection, prevention of infectious diseases and natural disaster mitigation.

Fifth, that:

Participation in the East Asia Summit will be based on the criteria for participation established by ASEAN;

The East Asia Summit will be convened regularly;

The East Asia Summit will be hosted and chaired by an ASEAN Member Country that assumes the ASEAN Chairmanship and held back-to-back with the annual ASEAN summit; and

The modalities of the East Asia Summit will be reviewed by the ASEAN and all other participating countries of the East Asia Summit¹.

Signed at Kuala Lumpur on the Fourteenth Day of December in the Year Two Thousand and Five.”



1. The Prime Minister in his remarks at the Retreat appreciated the idea of the East Asian Summit stressing that “a safe and experienced driver” would take the forum to its destination. Calling upon the leaders not to stop at sectional free trade area agreements, Dr. Singh wanted a greater economic integration at the ASEAN level for which he suggested that the East Asia Summit set up a follow-up mechanism consisting of officials and experts to prepare a roadmap. Prime Minister called on all the countries of the region to strive harmonious relationships and seamless trade and investment ties. “We are on the cusp of a new opportunity. We should seize it,” the Prime Minister was quoted by the Secretary (East) Rajiv Sikri. Sikri added that there were range of proposal from other leaders too but “there were no contradictory remarks.” It was a meeting of friends without misunderstanding.

276. Declaration on Avian Influenza Prevention, Control and Disease issued at the end of the East Asian Summit.

Kuala Lumpur, December 14, 2005.

"We, the Heads of State /Government of the Member Countries of the Association Of Southeast Asian Nations (ASEAN) Australia, People's Republic of China, Republic of India, Japan, the Republic of Korea and New Zealand, participating countries of the First East Asia Summit (EAS) held on 14 December 2005 in Kuala Lumpur, Malaysia;

Acknowledging that the avian influenza outbreak has spread to a number of countries in the region and that its serious impact is not just confined to the poultry industry but also public health, livestock production, trade, tourism, economic and social development of the region;

Aware of the potential of the current avian influenza H5N1 virus to transform into a strain capable of causing a pandemic, and the unpredictable nature of when and where a pandemic will occur;

Recognising the active cooperation and various regional initiatives of ASEAN in responding to the challenges posed by avian influenza, inter-alia, through strengthening institutional linkages, developing a partnership with all stakeholders, sharing information and coordinating regional initiatives.

Welcoming the various other initiatives to foster regional and global partnerships on avian influenza prevention and control, and pandemic preparedness and response;

Further Recognising that the prevention and control of avian influenza is a global responsibility that requires close collaboration and coordinated efforts among governments, communities and businesses with the active participation of appropriate regional and international organizations and mechanisms;

Do Hereby Declare that : The participating countries of the First EAS will undertake every effort through existing bilateral, regional and multilateral channels to enhance national, regional and international capacities to deal with the current avian influenza epidemic, inter-alia, to prevent it from transforming into a human influenza pandemic through:

1. Improving national policies for prevention and control of emerging infectious diseases (EID), in general.
2. Controlling and eradicating avian influenza in domestic poultry to reduce the risk of human influenza pandemic, as the disease is primarily an animal disease.
3. Committing to effective containment of all avian influenza outbreaks at the national level, and to extend all possible support and ensure rapid, transparent and accurate risk communications among participating countries of the EAS.
4. Undertaking a well-coordinated multi-sectoral/multi-disciplinary approach at the national and regional level, particularly between the animal health and the human health sectors, in support of regional and global efforts towards pandemic preparedness and response planning.
5. Establishing national and regional avian influenza and pandemic preparedness strategies with clearly defined work plans and resource requirement, supported by the strong political will and commitment of all participating countries of the First EAS as well as requisite national legislation and technical expertise to minimise the impact of any possible pandemic influenza outbreak.
6. Strengthening institutional capacities at national and regional levels to ensure effective and efficient implementation of the national and regional avian influenza prevention and control programmes and pandemic preparedness and response plans, including setting up a network of stockpiles of antiviral drugs with the technical support the World Health Organization (WHO) and other recognised relevant international organisations, to effectively pre-empt a pandemic.
7. Enhancing capacity building in coping with a pandemic influenza, including establishing information sharing protocols among countries and multilateral organisations to ensure effective, timely and meaningful communication before or during a pandemic influenza outbreak.
8. Increasing cooperation among ASEAN Member countries and the other participating countries of the First EAS, and international organisations, including the WHO, the World Animal Health Organisation (OIE), the Food and Agriculture Organisation of the United Nations (FAO), the World Bank

(WB), and the Asian Development Bank (ADB) in the areas of surveillance and capacity building, research and development, risk communications and assessment, supply and access to, as well as, the production of vaccine and antiviral drugs.

The necessary follow-up actions will be undertaken through existing ASEAN mechanisms in close consultation with WHO, OIE, FAO, World Bank, ADB as well as other ASEAN dialogue partners and with the ASEAN Secretariat coordinating these common efforts to ensure the effectiveness in stamping out the avian influenza.

Adopted by the Heads of State/Government of the participating countries of the First East Asia Summit on 14 December 2005 in Kuala Lumpur, Malaysia."



277. Media briefing by Prime Minister Dr. Manmohan Singh on-board Special Aircraft after attending the 4th India-ASEAN Summit and 1st East Asia Summit.

December 14, 2005.

Prime Minister's Statement:

"You have been briefed regularly about the many meetings that I have had while in Kuala Lumpur. In summing up my visit to Kuala Lumpur, I think it would be accurate to say it gave me a very valuable opportunity to engage with ASEAN leaders on the direction of our partnership which is growing increasingly closer, and to have bilateral interactions with an even larger number of leaders.

In our view the present level of India-ASEAN co-operation is a realization of a policy choice we made almost a decade-and-a-half ago when we embarked upon our Look East policy. It was our belief at that stage that there was potential for mutually beneficial interaction which had not even been recognised, leave alone utilized. I am happy to say that the situation is quite the opposite now; both sides are very conscious of the potential and there is a healthy impatience at the pace at which we are able

to utilize it. It is a fact that the impatience is a little more pronounced on the ASEAN side; my counterparts have expressed themselves that it would be better if we were able to move faster. I in turn took this opportunity to reassure them – in the India-ASEAN Summit and in my many bilateral meetings – that the important aspect to bear in mind is that our direction is correct and the intent to move towards closer economic integration is there. The pace at which we move has to take account of our democratic processes and the wide variety of views we have to reflect in our economic policy-making. I believe that the ASEAN leaders understand this reality and are keener on co-operation across an expanding canvas.

At the India-ASEAN Summit I put forward a series of proposals that are predicated on using Indian capabilities in areas such as satellite connectivity and English-language teaching, which had an excellent response. In fact, our ASEAN partners suggested extending such project-based co-operation to related areas such as bio-technology, which we have agreed to take on board. A significant suggestion made to me was increased interaction on regional security issues. Specific mention was made of increased co-operation in counter terrorism and maritime security. Both of these are of great interest to us; we are co-operating on these issues on a bilateral basis with some ASEAN members already and arrangements to broaden these should be devised.

As you are aware, there were extensive comments on the India-ASEAN FTA, on which negotiations are continuing. The ASEAN members have expressed concerns about size of the negative list proposed by India. I have noted their concern and told them that this issue would be resolved in a mutually satisfactory manner. In any case we shall keep to the schedule for the FTA to come into effect by January 01, 2007. My ASEAN counterparts also expressed their interest in an ASEAN-India open skies arrangement; we shall be examining how this can be operationalised. I have described all these aspects to illustrate the increasingly broader sweep of our ties with ASEAN.

Earlier today we met in the 1st East Asia Summit. The significance and potential of this grouping is almost self-evident. Its composition, its evolving agenda and format give it the potential to play a major role in global affairs. India's presence in this group from its very outset is an opportunity that we value. This is clearly a good work in progress. The

Malaysian Prime Minister in his opening remarks said that this group represents a desire for engagement and not containment. I was happy to associate myself with this sentiment. In an evolving global balance, East Asia carries ever-increasing weight; India's participation adds to its significance.

While in Kuala Lumpur I also had several bilateral meetings. My first call was on Prime Minister Badawi, where we reviewed both our bilateral ties and our expectations from the ASEAN and East Asian Summits. I met the Prime Minister of Vietnam and we reviewed the potential for carrying forward our co-operation in areas such as hydrocarbons and defence. We shall also try to respond to Vietnam's interests in bilateral co-operation in high technology areas such as biotechnology. I had an extensive review of our co-operation with Japan in my meeting with Prime Minister Koizumi. We decided to work to upgrade our relationship both quantitatively and qualitatively. The Prime Minister of Japan emphasised the importance of co-operation on a global scale on existing and emerging issues; these include possibilities in infrastructure, co-operation in disaster management and our on-going participation in the G-4 group. I thanked Prime Minister Koizumi for Japan's support for India's entry into ITER and shared with him my belief that Japan is key to India's Look East policy. I also thanked the President of Korea for supporting India's entry into ITER and flagged to him the importance of Korean support for the removal of NSG restrictions that affect India. In my meeting with the Prime Minister of Myanmar we reviewed the status of progress on various cross border projects. Our interest in co-operation in the hydrocarbon sector was also reiterated. Shortly before leaving I also met Premier Wen Jiabao of China. We reviewed developments since Premier Wen's landmark visit to India in April and agreed to work together to ensure that the momentum in our relationship is maintained. Our work on the boundary question will carry on; our Special Representatives will meet early. Our bilateral trade is increasing rapidly, as we had hoped for and we await the recommendations of the Joint Study Group to upgrade our economic and commercial ties in a befitting manner. In sum, I feel, this has been a productive and useful visit."

Prime Minister (Dr. Manmohan Singh) : Well, if you have any questions, I will be happy to answer.

Question : Could you tell us about your meetings with the Chinese Prime

Minister Wen Jiabao and Myanmar's General Soe Win.

Prime Minister : I had a very good meeting with Prime Minister Wen Jiabao of China. He was our honoured guest in April. Since then this is my second meeting with him. We reviewed the state of our bilateral relations. We came to the joint conclusion that our economic relations are moving in the right direction. Our trade turnover is now about 15 billion dollars and by the year 2008 it will exceed the target of 20 billion dollars.

We also agreed that the Joint Study Group that we had set up, we should move now to implement its recommendations. That would also include a preferential trade arrangement or some variant of it.

We also discussed cooperation in science and technology. I thanked the Chinese Prime Minister for China's support for India's membership of the ITER project which has great significance in the area of nuclear science.

We also had a very good discussion on the resolution of the boundary dispute. You know that when Prime Minister Wen came to Delhi we had signed a document which sets out the fundamental principles and broad political parameters which should guide the resolution of the boundary question. Since then, our special representatives have had one meeting. Another meeting is planned in January. Both of us agreed that these discussions and negotiations should be expedited. Both of us expressed our commitment to find a mutually satisfactory resolution of the boundary problem.

With regard to Myanmar, we reviewed the state of our bilateral relations. We agreed that our two countries can do a great deal more in helping Myanmar to develop its transport and hydrocarbons potential. I also discussed with him the use of Myanmar territories by the insurgent groups operating in the North-Eastern parts of our country. I was assured that Myanmar Government will fully cooperate with India and not allow its territory to be used by insurgents.

We also had a discussion about the political reforms. He pointed out the difficulties that Myanmar society is facing. There were so many tribes that there were factions which were inciting insurgency. He also felt that some outside powers were inciting these insurgent groups. But, he said they were committed to democracy, they will use the National Congress

as a forum to evolve a pattern of democracy suited to the genius of them. I said we favoured a national reconciliation and also the movement towards democracy, respect for fundamental human rights and allowing all political activities to flourish. But I also said that it is for the people of Myanmar to resolve problems and I did not know the answer, the answer has to be found by the people of Myanmar themselves.

Question : Was there any discussion on Aung San Suu Kyi?

Prime Minister : Yes, I am saying that. I said we are in favour of a national reconciliation and that Aun San Suu Kyi should be set free. But it was not my purpose to advise him what political arrangements they should have.

Question : ...Inaudible...Chinese companies.

Prime Minister : ...old habits of looking at things. In a globalised world, enterprise has a logic of its own. I am confident that we too can move forward and not worry too much about these old fears.

Question : ...Inaudible ...East-Asia Summit, is it going to be more sort of a forum which is going to produce results in the long-term? Do you feel that this is a forum where you will be talking about this pan-Asian FTA? Is it something that the forum will be able to implement?

Prime Minister : In the long run, there has to be a vision to guide the process. I think the East-Asia Summit has started the process. The primary emphasis right now is on dialogue to discuss issues relating to security, peace, progress, environment, energy security, and cooperation in tackling infectious diseases. But it can evolve. My own feeling is that in course of time the habits of working (together) will grow. Where they will lead us, it is too premature for me to say that I know the answer to it.

Question : ...Inaudible...

Prime Minister : Our people have to get used to competition. We live in a harsh competitive world. I am confident that the people of India have the capacity and the will to stand up to competition. Look at the atmosphere fifteen years ago. All big industrialists then were opposed to liberalisation. Today they all stand by it. So, that is a measure of the change that has come about. There is such a thing as the fear of the unknown. I recognise that. We have to give legitimate protection to our industry, particularly, to

the small sector. But all this can be arranged in a manner that we evolve. Evolving arrangements will turn out to be a win-win situation.

Question : Dr. Singh, on the issue of FTA, is it possible to announce some kind of a timeframe to resolve this?

Prime Minister : We are dealing with difficult issues. Without setting any deadlines, I do feel it is possible to move forward at a faster pace.

Question : ...Inaudible...(on India-Japan relations)

Prime Minister : Fortunately we have a situation where there are no bilateral disputes between India and Japan. We both agree that the economic interchange between our two countries is far below the potential. It has been agreed that both of us will work together to increase our cooperation in matters relating to economics, but also in issues relating to security, environment, science and technology, information technology and power technology. I invited the Japanese industry to take a hard look at the possibilities and the scope of hardware industry being developed in India, and India being used for outsourcing purposes. The Japanese Government is fully in support of it. Recently, they had sent a very high-powered business delegation (to India). So, I think our relations with Japan are in for a significant improvement.

Question : What is your long-term policy on managing our forex reserves?

Prime Minister : I do not know the answer to that question. The reserves are looked after by the Reserve Bank of India. All I can say is that today our reserves are about 14 months' imports. I think they are adequate. We need a reserve level which gives us comfort. I think our reserve level right now is quite satisfactory.

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Question : ...Inaudible...(on India-Japan relations)

Prime Minister : *The cooperation between us will be strengthened. But we have to accept that Japan wants to strengthen its relations with America.*

Question : Any agreement on digital technology? Any agreement about telecom technology?

Prime Minister : Well, I am not a salesman of that.

{The text in italics is translated from Hindi.}



AUSTRALIA

278. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and Australian Foreign Minister Alexander Downer.

New Delhi, June 8, 2005.

Official Spokesperson: Good evening. Let me just give you a brief account of the meeting between External Affairs Minister Shri Natwar Singh and the Australian Foreign Minister Mr. Alexander Downer¹.

One point of interest, which you have straightaway, is that they both agreed to make a joint initiative for a Donald Bradman exhibition in India. Seeing a lot of mutual interest in cricket and how both countries view each other through the sports prism, they thought that it was a very good idea. The Australians are planning to do that exhibition and External Affairs Minister said that we are willing to jointly take this on. The dates are to be worked out. They have to get it from different museums within Australia.

They reviewed bilateral relations and looked at the exchange of visits. They looked at areas of mutual interest in which India's role is being increasingly appreciated by Australia. Counter-terrorism, ensuring security of sea lanes, the tsunami experience, and the post tsunami realization of India's regional role were discussed. There was discussion on trade. Mr. Kamal Nath has been to Australia 2 weeks ago and he has come back satisfied with the situation. They said that there are over 20 Indian IT

1. The Australian Foreign Minister had arrived in Chennai the previous day, which he spent there meeting the Chief Minister of Tamil Nadu. The Spokesperson informed the media that the discussions between the External Affairs Minister and the visiting Minister were under the rubric of the Ministerial Framework Dialogue would focus on bilateral visits, economic and trade relations, cooperation in energy security, education, tourism, science and technology and regional and multilateral issues.

companies working in Australia and they are doing very well. Joint ventures are working in coal and energy. Australia particularly mentioned that India has expanding energy needs and Australia has considerable experience in LNG and also in building sea terminals for LNG. They offered that facility to India.

Besides LNG he also talked of Australia's food industry, storage facilities, etc. India is now the 6th largest export market for Australia starting from about number 4-5 years ago. They are very keen to build educational linkages. They talked of exchange of young political leaders in terms of visits. They also discussed the possibilities of enhancing the defence relationship between the two countries.

Education and tourism were two other issues discussed. India has 21,000 students in Australia and evidently it is now the third biggest education destination for Indian students after UK and US. In tourism, more than 60,000 Australians visit India but this needs to be increased. Both sides mentioned that.

External Affairs Minister briefed him on recent initiatives particularly on developments in India – Pakistan relations over the last few months. Mr. Downer said that he was very impressed with his one day visit to Chennai and found that the ordinary person in India is very positive about Australia. He said that they hoped to actualize this potential and this positive feeling into trade, economic cooperation and so on.

Among the regional issues discussed were Afghanistan - both sides gave their view with different perspectives and levels of engagement - and Iran. On China, External Affairs Minister briefed Mr. Downer on Premier Wen's visit to India. They also discussed India – ASEAN relations including the recent visits of the Prime Ministers of Thailand and Japan. They also discussed the developments at the UN and the ongoing process of momentum building towards reform.

Over lunch they had more extended discussions on Iraq and Iran. Mr. Downer briefed on their experiences in these countries. He was particularly interested in asking External Affairs Minister about the J&K issue and the recent developments. He got a full briefing on that. He also raised other areas of cooperation in international organisations particularly relating to environment. As you know Australia has not ratified the Kyoto Treaty

while we have. So there are possibilities of engaging towards clean energy even through cooperation in international organisations.



279. Press release issued at the end of the visit of Australian Minister for Foreign Affairs Alexander Downer.

New Delhi, June 10, 2005.

The Australian Minister for Foreign Affairs Mr. Alexander Downer paid an official visit to India from June 7-10, 2005 for the fourth round of the India-Australia Ministerial Framework Dialogue. Foreign Minister Downer held talks with the External Affairs Minister Shri K Natwar Singh on June 8, 2005.

Mr. Downer also called on the Prime Minister, as well as the Ministers of Finance, Environment and Forests and the Deputy Chairman, Planning Commission. During his visit, he had wide-ranging interactions with business leaders as well as with economic and strategic thinkers. Prior to his visit to New Delhi, Mr. Downer spent a day in Chennai on June 7, 2005 when he called on the Chief Minister of Tamil Nadu.

The talks between the two Foreign Ministers covered a wide range of bilateral issues including the exchange of high-level visits, and ways and means of enhancing bilateral cooperation in all fields. The Ministers also discussed regional and multilateral issues, including United Nations reforms.

Foreign Minister Downer reiterated Australia's support for India's candidature for the permanent membership of UN Security Council¹. Both sides expressed satisfaction at the rapid growth in bilateral trade and economic relations in recent years and reiterated their desire to enhance

1. Addressing a press conference on June 8 the visiting Australian Foreign Minister said that there was a "reasonable chance" for the expansion of the UN Security Council. He saw "every chance" of the G-4 draft resolution getting the required 2/3rd majority in the UN General Assembly. He said that in his talks with the Indian External Affairs Minister he had assured the latter of Australian support. Mr. Downer told the journalists that his advice to India was to push ahead with the reform move and not "give it up". However, he felt that there was need for "some finessing" of the draft resolution that had been circulated by the G-4.

cooperation in this area. Both sides expressed satisfaction at the decision taken during the Joint Ministerial Commission meeting in Australia to commence discussions on the proposed Trade and Economic Framework Agreement (TEF) between Indian and Australia that will set up a consultative framework to encourage the growth of trade and economic relations between the two countries.

The two sides also agreed to increase interaction in other dimensions of the bilateral relationship, including the areas of energy, science and technology, biotechnology, IT, tourism, education, culture and people-to-people contacts. It was agreed to organize an exhibition in India on the legendary cricketer, Don Bradman. The contributions of the 200,000-strong Indian community in Australia and the presence of 21,000 Indian students pursuing higher studies in Australia were acknowledged by both sides as positive factors that were promoting closer bilateral ties.



CAMBODIA

280. Press release of the Ministry of Home Affairs on the signing of the Agreement between India and Cambodia on Combating Terrorism, Organized Crime and Drug Trafficking.

New Delhi, December 16, 2005.

India and Cambodia will enhance co-operation in combating trafficking of drugs & arms, terrorism and transnational crime. Both the countries have agreed that such cooperation would be in mutual interest. The Secretary of State in the Ministry of Interior, Royal Government of Kingdom of Cambodia, Shri Em Sam An and the Minister of State in the Ministry of Home Affairs, Shri S. Regupathy signed an agreement here today between Cambodia and India on combating international terrorism, organized crime and illicit drug trafficking. The Home Minister, Shri Shivraj Patil was present on the occasion.

The agreement provides for co-operation in the joint fight against

terrorism, exchanging information and intelligence on the activities of any terrorist group and its associates, identifying and exchanging information on sources of financing of terrorism, facilitating co-operation in preventing access to arms, explosives and other prohibited substances for terrorist activities, exchanging professional expertise and training of security and law enforcement personnel.

The agreement also provides for widest measures of mutual legal assistance in the investigation, prosecution and suppression of crime including crime related to terrorism. The agreement also provides for facilitating prosecution of individuals and their associates engaged in crime.

The agreement further provides for suppression of illicit trafficking in narcotic drugs, psychotropic substances and precursor chemicals by exchange of information on those involved in drug trafficking including their modus operandi, controlled delivery of illicit narcotic drugs and psychotropic substances, etc. The Ministry of Home Affairs, Government of India would be the nodal agency for implementation of the agreement and, on the part of the Royal Government of the Kingdom of Cambodia, the Ministry of Interior would be the nodal agency.

The agreement also provides for setting up of a Co-ordination Committee, which would also include representatives of law enforcement agencies to promote co-operation.

This Committee would meet regularly, alternatively in India and Cambodia. The Agreement has come into force with effect from today.



281. Agreement between the Government of the Republic of India and the Royal Government of the Kingdom of Cambodia on Combating International Terrorism, Organised Crime and Illicit Drug Trafficking.

New Delhi, December 16, 2005.

The Government of the Republic of India and the Royal Government of the Kingdom of Cambodia hereinafter referred to as "Parties".

Guided by the traditional friendly relations between the two countries and their endeavour to contribute to the further development of their bilateral relations;

Deeply concerned with the expansion of Organized Crime and International Terrorism;

Convinced of the need to enhance bilateral cooperation in combating international terrorism, transnational organized crime and illicit drug trafficking;

Recognizing the mutual advantages of such cooperation for both Parties in accordance with their national laws and regulations;

Taking into consideration the relevant international treaties to which both are Parties;

Desiring to improve the effectiveness of both countries in the prevention, investigation, prosecution and suppression of crime including crime relating to terrorism and drug trafficking and to establish a framework for enhancing cooperation between the officials of intelligence and law-enforcement agencies of the Parties;

Have agreed on the following ;

Article - 1

The Parties shall, within the framework of this Agreement and subject to their domestic laws and regulations cooperate in combating international terrorism: illicit trafficking in narcotic drugs and psychotropic substances including their precursor chemicals and provide each other with the widest

measure of the Mutual legal Assistance in the investigation, prosecution and suppression of crime:

Article - 2

The Parties have resolved to cooperate in their joint fight against terrorism in all its forms and to this end, shall :

- a) exchange information and intelligence on the activities of any terrorist group and their associates including those providing front or cover to individuals or groups engaged in the planning, promoting or executing acts of terrorism against the Parties as well as those which may operate from or use the territories of either Party;
- b) identify and exchange information on any sources of financing of terrorism which may be located in the territory of either party and take steps to seize and confiscate the sources of financing of terrorism;
- c) coordinate approach to combating international terrorism;
- d) cooperate and share experience in areas of hijack termination, hostage rescue and negotiations and protection of VIPs and innocent victims;
- e) facilitate cooperation in preventing access to arms, explosives, and other prohibited substances for terrorist activities;
- f) enhance cooperation and intelligence sharing between the law enforcement agencies of the Parties;
- g) provide mutual assistance including exchange of professional expertise and training of security and law enforcement personnel and organizing seminars and conferences etc.; and
- h) address any other matter in this agreement as mutually agreed upon.

Article - 3

1. For the purpose of this Agreement, crime will include all offences so created by legislature of the respective Party.

2. The Parties shall provide each other the widest measure of mutual legal assistance in the investigation, prosecution and suppression of crime, including crimes related to terrorism.
3. The assistance shall include but not be limited to :
 1. Measures to locate, restrain, forfeiting or confiscating the means and resources of financing terrorism, or the proceeds of crime;
 2. Taking of evidence or obtaining statements of persons;
 3. Providing information, documents and other records including criminal and judicial records;
 4. Communicating information available with each Party about criminal acts either committed or being planned to be committed within the territory of the other Party ;
 5. Executing requests for search and seizure;
 6. Delivery or lending of exhibits;
 7. Serving of documents seeking attendance of persons;
 8. Exchanging the names of the persons criminally convicted in serious crimes ;
 9. Locating and indentifying persons and objects;
 10. Any other assistance consistent with objectives of this Agreement.
4. For the purpose of Article 3(1) above,
 - a) "Proceeds of crime" means any property that is derived or realized directly or indirectly by any person from an offence or the value of any such property.
 - b) "Property" includes money of all kinds of movable or immovable, tangible or intangible property, and includes any interest in such property.
 - c) "Confiscation" means any measures resulting in the deprivation of property by conclusive decision.

5. The Parties shall
- a) Exchange data on persons involved in organized crime, their linkages, the structure of the criminal group and their modalities; and
 - b) consider ways and means to facilitate mutual legal assistance in criminal matters, arrest, extradition and prosecution of individuals and their associates engaged in crime.

Article - 4

For suppression of illicit trafficking in narcotic drugs, psychotropic substances and precursors, the Parties shall

- a) Exchange and share information about persons involved in narcotic drug trafficking, their *modus operandi* as well as other relevant details of such crimes, in so far as these are necessary for the prevention or suppression of crimes;
- b) Exchange the results of their criminal and criminological research on narcotic drug trafficking and abuse of narcotic drugs;
- c) Share and exchange of samples of narcotic drugs and psychotropic substances of natural or synthetic origin usable for abuse; and
- d) Subject to its domestic laws and international obligations, facilitate the controlled delivery of illicit narcotic drugs and psychotropic substances in order to render possible the arrest of the persons to whom it will be delivered as well as any persons involved in the trafficking provided that the necessary information is submitted at least 48 hours prior to the requested action.

Article - 5

1. The Ministry of Home Affairs will be nodal agency on the Indian side responsible for the implementation of this Agreement.
2. the Ministry of Interior shall be the nodal agency on the side of the Royal Government of the Kingdom of Cambodia.
3. The Parties shall nominate such other law enforcement agencies for cooperation in various areas under this agreement as deemed necessary.

4. In the absence of other Agreement, the English language shall be used for communication and exchange of information.

Article - 6

The Parties shall set up a Coordination Committee including representatives of law enforcement agencies to promote and review the cooperation within the terms of this Agreement. The Committee shall meet at least once every year on mutually convenient dates and the venue of the meetings shall alternatively be in India and Cambodia.

Article - 7

The Coordination Committee shall lay down the detailed modalities and specify law enforcement agencies on either side to exchange operational intelligence in the field of terrorism and drug trafficking including their office address, contact telephone numbers fax, and other relevant details to facilitate contact on priority basis. Similarly, nodal authorities shall be specified for cooperation and mutual assistance in the field of crime.

Article - 8

1. The Coordination Committee shall observe complete confidentiality in the conduct of its work.
2. Any confidential information provided by one Party pursuant to this Agreement shall not be passed on or disclosed to a third party without the express consent of the former Party.

Article - 9

Either Party may deny a request for cooperation, in whole or in part, if that request affects its national sovereignty, endangers its security or violates its laws and regulations.

Article - 10

Any dispute arising out of the interpretation of this Agreement shall be settled through negotiations between the Parties through Diplomatic channels.

Article -11

The provisions of this Agreement shall not affect the obligations

assumed by Parties pursuant to other bilateral or Multi-lateral Agreement to which they are parties.

Article - 12

This Agreement may be amended or revised, as deemed necessary, by mutual written consents of the Parties.

Article - 13

1. This Agreement shall come into force from the date of its signature and shall remain in force for an indefinite period.
2. Either Party may at any time terminate this Agreement by giving six months advance written notice to the other Party indicating its intention to terminate this agreement. The Agreement shall cease to have effect on the expiry of the six months period.

The undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on the sixteenth day of December in the Year 2005, in two originals each in Hindi, English and Khmer language. All the texts being authentic, in case of any divergent interpretation, the English text shall prevail.

S. Ragupathy
For the Government of
the Republic of India

Em Sam An
For the Royal Government of
Kingdom of Cambodia



CHINA

282. Media briefing by Official Spokesperson on the meeting of External Affairs Minister K. Natwar Singh with the Chinese Premier Wen Jiabao on the sidelines of the Special ASEAN Leaders meeting in the aftermath of the Asian Tsunami.

Jakarta, January 6, 2005.

A few points on External Affairs Minister's meeting with the Chinese Premier. During this meeting the Chinese Premier conveyed his Government's sympathy to the Indian Government and people on the Tsunami disaster. He expressed admiration for the courage and determination shown by the Indian nation and people in dealing with this crisis. External Affairs Minister thanked him for his warm and sincere sentiments.

The two leaders also reviewed the satisfactory and comprehensive development of bilateral relations that have improved qualitatively and entered a new phase. Both of them agreed that it was necessary to look for ways and means to maintain the positive momentum in the bilateral relationship from a long-term strategic perspective as well as to resolve the border issue.

The Chinese Premier said that he was greatly looking forward to his visit to India this year, which would be an important event that would further consolidate India–China relations and friendship¹.



1. External Affairs Minister later himself described the talks with the Chinese Premier as a "very good" exercise in positive diplomacy. Echoing the sentiments the Chinese Foreign Minister who was present at the talks said "Premier Wen Jibao and Foreign Minister (Singh) have had a very good discussions." Laying emphasis on this aspect, Li said: "Both sides believe that we are working together to consolidate and enhance the friendship and cooperation further between the two nations and peoples." Summing up the discussions Natwar Singh said the Chinese Prime Minister was "deeply appreciative of what India is doing" to help itself and its Tsunami-hit neighbours in the present crisis. While China was aware of India's own efforts, Mr. Wen indicated his country's willingness to be of help. Deeply appreciating China's friendly sentiments, Mr. Singh told him that India was "coping" with the tsunami impact as "we have extensive experience in dealing with natural disasters." EAM confirmed to journalists that the question of India's permanent membership of the UNSC did not come up for discussion with the Chinese Prime Minister.

283. Media briefing by Official Spokesperson on the first meeting of India-China Strategic Dialogue.**New Delhi, January 24, 2005.**

...the first meeting of the **India-China Strategic Dialogue** was held in New Delhi (24 January' 05). The Indian delegation was led by the Foreign Secretary, Mr. Shyam Saran and the Chinese delegation was led by their Vice Foreign Minister Wu Dawei.

During the meeting, detailed discussions took place on important regional and global issues that shape the present international environment. There was a broad convergence of views on these issues. Both sides also briefed each other on their respective foreign and security policies.

Substantive discussions took place on bilateral relations, including in particular on preparations for the forthcoming visit of China's Premier Wen Jiabao to India later this year. The two sides agreed to closely work together to ensure a substantive outcome of the visit, which is expected to mark a new phase in the relationship between the two countries.

Both sides are satisfied with the outcome of the discussions and feel that these have further increased their mutual trust and understanding. The launching of this new dialogue mechanism between the two countries is significant in that it indicates their readiness to look at the bilateral relationship in a long-term and strategic perspective.

Right now Vice Foreign Minister Wu Dawei is calling on External Affairs Minister Shri Natwar Singh.

It has also been agreed that the next round of the Strategic Dialogue will be held in China on mutually agreed dates.

Later, the Official Spokesperson added:

Chinese Vice Foreign Minister called on EAM this evening. During this warm and cordial meeting, the present state of bilateral relations was reviewed and assessed highly as well as future directions were discussed. EAM said that we were looking forward to visit of Premier Wen Jiabao, which would be a major event in our bilateral relations and lead to substantive results. During the call on EAM, the celebrations for the 55th anniversary of

establishment of diplomatic relations between India and China, which are to begin on April 1, 2005 were also discussed.

Question: On India – China dialogue, any discussion on nuclear doctrine or on specific issues like Iraq?

Answer: I will not be able to go into more specific details of what was discussed besides what we have agreed to share with the press and the details that I have given you. What I can tell you is that this is a new dialogue mechanism. The purpose as I have said is to provide a mechanism which shows that the two countries are engaging with each other to enhance the strategic and long – term relationship between India and China. So, this provides a forum for discussing all aspects in which the two countries are interested. It is quite possible that the issues that you mentioned may have come up. I am not aware of that.

Question: Was there something on the border issue?

Answer: Again, it is possible that as a part of the general discussion the issue may have come up but you know that we also have the other mechanism of the Special Representatives looking at the border issue.

Question: Have the dates for the PM visit been decided?

Answer: Later this year.

Question: This new mechanism represents a pragmatic course between India and China. Which country's initiative is it?

Answer: I think that these mechanisms are only agreed upon when both countries agree.

Question: Could you run through the list of regional and international issues that were discussed?

Answer: I am afraid I would not be able to run through a list. I think what I have given you is a fairly exhaustive read out of the general contours of the discussion and that I am afraid is about all that I will be able to give.

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Question: How long did the talks last?

Answer: The talks lasted well into the afternoon. I think they started at about 9:30 am and finished at about 2:30 pm or 3 pm, about that time.

Question: Will this be an annual affair?

Answer: That is not decided. They will agree upon dates as to when it has to be held. It will be held in China. That is decided.

Question: Did India raise Pakistan with the Chinese?

Answer: I do not have any more specific details of the discussions. Our relationship with China is a strong bilateral relationship and we have a fair amount to discuss on a bilateral level.

Question: Is there any time frame for these discussions?

Answer: No.

Question: Is the Chinese Vice Foreign Minister meeting Prime Minister at all?

Answer: No. He is meeting the External Affairs Minister right now and that is it.

Question: ...inaudible...

Answer: No, I do not understand that to be the situation. This is a new dialogue mechanism that has been set up and the Special Representatives dialogue mechanism is a very specific one looking at the boundary question and looking at it from a political point of view. But this, as I said, is a wide-ranging dialogue between both the countries looking at long-term and strategic interests between them.



284. Press statement on 15th Meeting of the India-China Joint Working Group on the Boundary Question.**Beijing, March 31, 2005.**

The 15th Meeting of the India-China Joint Working Group on the Boundary Question was held in Beijing from March 30-31, 2005. The Indian delegation which included representatives from the Ministries of External Affairs, Home and Defence was led by Foreign Secretary Shri Shyam Saran. The Chinese delegation was led by Vice Foreign Minister Wu Dawei. The discussions marked a resumption of dialogue in the JWG process after a gap of two and a half years.

The discussions in JWG-15 were held over three sessions and were positive and forward looking. Both sides reviewed the ongoing process of LAC clarification and confidence building measures. They highlighted the importance of the implementation of the bilateral agreements of 1993 and 1996 for maintenance of peace and tranquility and for furthering confidence building measures in border areas so as to promote mutual trust and confidence which is essential for the objective of a settlement of the boundary question. The JWG -15 noted the progress in the work done in the meetings of the Expert Group since the previous meeting of the JWG. The 15th meeting of EG was held in Beijing on March 29, 2005.

During the meeting of the JWG, a comprehensive review of bilateral relations was undertaken, including preparations for the forthcoming visit to India, by Premier Wen Jiabao. Both sides noted that the visit would be a major landmark in upgrading our bilateral relations and would through its outcomes provide a global and strategic perspective to our relations.

Foreign Secretary called on State Councillor Tang Jiaxuan and conveyed the greetings of EAM Shri Natwar Singh. They exchanged views on the significant role played by the JWG process in the overall settlement of the boundary question.

They also discussed the cooperation and coordination between the two sides on global and multilateral issues. State Councillor Tang said India-China relations serve the interests not only of our two peoples but also peace and prosperity of the region and the world at large.

Foreign Secretary called on Foreign Minister Li Zhaoxing and

conveyed the warm regards of EAM and his wish to continue their interaction in New Delhi during the forthcoming visit of Premier Wen Jiabao. They discussed the steady momentum in our bilateral relations including preparations for the visit of Premier Wen Jiabao and regional issues.

Foreign Secretary also met Vice Foreign Minister and Special Representative Dai Bingguo and conveyed the invitation of Special Representative Shri M.K. Narayanan to visit India in advance of Premier Wen Jiabao's visit. Vice Foreign Minister Dai accepted the invitation with pleasure and said they look forward to meeting Shri Narayanan and continuing dialogue in the Special Representatives process. Both sides exchanged views on the positive developments in the ongoing process of settlement of the boundary question from the overall perspective of our bilateral relations.

Foreign Secretary invited Vice Foreign Minister Wu for the next round of JWG discussions¹.



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1. On March 28 the Official Spokesperson of the MEA Navtej Sarna had recalled that the last meeting of the India - China JWG was held in New Delhi in November 2002. Giving a background briefing on the talks Navtej Sarna said, "The Indian side attaches high importance to the Chinese Premier's visit. There have already been detailed consultations at various levels and between the authorities concerned of the two countries. Foreign Secretary will utilize his visit to China to carry this process forward, especially on the substantive outcome of the visit. These discussions will cover, inter alia, political parameters and guiding principles for the settlement of the India-China boundary question, measures to strengthen the constructive and cooperative partnership between the two countries taking into account the overall global and strategic perspective of the bilateral relationship, and other issues of mutual interest and concern."

The Spokesperson answered some questions too:

Question: You talked about the guiding principles – What are they and what do they mean?

Answer: There are a number of guiding principles, as you know, which are being negotiated. These are basically for moving towards the settlement of the India-China boundary question. What exactly they are I cannot tell you at this stage.

Question: Would there be a meeting of the Special Representatives before the visit of Premier Wen Jiabao?

Answer: Both sides are keen to schedule a meeting of the Special Representatives at an early date. The exact dates of such a meeting are presently under discussion.

Question: Would there be any announcements during the visit?

Answer: It would be incorrect for me to try to foretell the exact results of the visit. As you know, what we have said is that there is a stress on the substantive outcome of the visit and the Foreign Secretary's visit, for instance, includes on its agenda the discussions of the political parameters and the guiding principles for settlement of the boundary question.

Later, when asked about a story in the Hindustan Times the Official Spokesperson added:

285. Message of President A. P. J. Abdul Kalam to the President of the People's Republic of China Hu Jintao on the occasion of the 55th anniversary of the establishment of diplomatic relations between India and China.

New Delhi, April 1, 2005.

Excellency,

On behalf of the Government and the people of India, and on my own behalf, I have great pleasure in extending to the Government and the people of China, and to you personally, warm felicitations and friendly greetings on the fifty-fifth anniversary of the establishment of diplomatic relations between the Republic of India and the People's Republic of China.

Friendly exchanges between India and China have transcended time and space to bind our present ties. Being two of the world's oldest civilizations, our long history of close contacts has been enriched by the shared cultural and spiritual heritage and has made profound contributions to our respective development and that of the entire humanity. The establishment of diplomatic relations between the two countries was an important landmark in our relations in modern times. The shared vision of relationship which was reflected in the principles of Panchsheel jointly enunciated by our leaders, not only continues to be the bedrock of India-China relations, but also guides the world to peace, stability and development.

"As I mentioned earlier, we are presently negotiating an agreement on the political parameters and guiding principles for settlement of the India-China boundary question. At this stage, I cannot comment on the contents of the proposed agreement. The Hindustan Times story is, however, speculative in nature."

Meanwhile the Indian Embassy in Beijing said on March 31 "both sides noted that (Mr. Wen's) visit would be a major landmark in upgrading our bilateral relations and would, through its outcome, provide a global and strategic perspective to our relations." In another significant remark, the Chinese Ambassador in New Delhi Sun Yuxi said at a press conference in New Delhi that Tibet was no longer an "issue" in Sino – Indian relations. He said that with India publicly stating in Beijing in 2003 that it would not allow anti-China activities relating to Tibet, this had ceased to be a problem in bilateral relations between the two countries, he said and added "it (Tibet) is totally an internal matter (for China)." On Sikkim, he said the "issue" had been settled between India and China. "It is completely solved", he said when asked if anything more needed to be done. "There is no problem (in Sikkim)." Asked about circulation of some maps at an international conference last year showing Sikkim as an "independent State", the Ambassador said that no such "maps" would be published afresh by the Chinese government.

Today, as two of the world's largest and most populous countries and also as two rapidly developing economies, India and China are uniquely poised to define the contours of the international political and economic landscape. Close cooperation and good neighbourly relations between us offer a source of strength and stability in the international relations amidst the contemporary global uncertainties. We both seek a peaceful environment for our paramount task of national construction and for ensuring the well-being of our peoples. The way our relationship has made headway in recent years gives us enough confidence and hope for the future of our cooperation.

The fifty-fifth anniversary of the establishment of our diplomatic relations provides us an important opportunity to renew our commitment to the sustained development and all round diversification of our rapidly growing ties.

Excellency, please accept my best wishes for your good health and for the prosperity and well being of the people of China.

With the renewed assurances of my highest consideration.

(A.P. J. Abdul Kalam)

H.E. Mr. Hu Jintao
President of the People's Republic of China
Beijing



286. Message of Prime Minister Dr. Manmohan Singh to the Premier of the State Council of the People's Republic of China on the occasion of the 55th anniversary of the establishment of diplomatic relations between India and China.

Camp: Port Louis, April 1, 2005.

Excellency,

On behalf of the Government and the people of India, and on my own behalf, I have great pleasure in extending to the Government and the people of China, and to you personally, warm felicitations and friendly greetings on the fifty-fifth anniversary of the establishment of diplomatic relations between the Republic of India and the People's Republic of China.

Our commitment to carry forward friendly historical exchanges in contemporary times was manifest in the establishment of diplomatic relations between our two countries fifty-five years ago. Together, India and China comprise one third of humanity. As two of the world's largest developing countries as well as two rapidly developing economies, the tasks that we face are profound, but our determination is resolute. In realizing our objectives, we draw strength and inspiration from the richness of our shared civilizational legacy and the depth of our historical experiences.

The sustained growth and diversification of India-China relations in recent years reflect our common commitment to take our relationship to new heights, while proactively addressing our differences in a fair, reasonable and mutually acceptable manner. Today our relationship has entered a new phase of comprehensive development. Continuing high level exchanges have enormously contributed to our mutual trust and understanding. I am confident that this process will be further strengthened by Your Excellency's visit to India in the coming days.

Both India and China share the aspiration to build a Just, equitable and democratic international political and economic order on the twin pillars of multipolarization and multilateralism. As the world becomes increasingly inter-dependent, it is important for our two countries to join hands to harness the positive forces of globalization and safeguard the interests of the developing countries. Close cooperation and good neighbourly relations

between us are not only our shared commitment, but also an imperative in the backdrop of today's fast changing international environment as well as in keeping with the long-term and strategic vision of the relationship that we both espouse.

I look forward to having comprehensive discussions with Your Excellency to further enrich and strengthen our constructive and cooperative partnership, taking into account the global and strategic perspective of our relations.

Excellency, please accept my best wishes for your good health, for the prosperity and well being of the people of China and the assurances of my highest consideration.

(Manmohan Singh)

H.E. Mr. Wen Jiabao,
Premier of the State Council, People's Republic of China, Beijing



287. Media briefing by Foreign Secretary Shyam Saran on the visit of Chinese Premier Wen Jiabao.

New Delhi, April 11, 2005.

Official Spokesperson (Shri Navtej Sarna) : We are very happy to have the Foreign Secretary here to brief you on the day's developments in the visit of Premier Wen Jiabao and the discussions with the Prime Minister¹.

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1. On April 8, 2005, the Official Spokesperson of the Ministry of External Affairs announcing the visit gave a detailed briefing on the programme and agenda of the Chinese Premier's visit. He said that before arriving in New Delhi, "Premier Wen will visit Bangalore, where he is reaching on the evening of April 9. Chief Minister of Karnataka will call on him that evening. On April 10, he will visit important scientific and industrial establishments in Bangalore, including ISRO, Indian Institute of Science, and TCS." Giving details of his programme in New Delhi, the Spokesperson said "meetings have been scheduled for Premier Wen with our President, the Vice-President, the Prime Minister, and the External Affairs Minister, apart from the Chairperson of UPA and the Leader of Opposition. Premier Wen is also expected to address an India-China Business Cooperation Conference jointly organized by CII and FICCI on April 11 as also deliver a speech at the IIT, New Delhi on the morning of April 12 before leaving for Beijing. A large delegation of Chinese business and industry is accompanying Premier Wen. The talks between the two Prime Ministers are expected to cover bilateral, regional and international issues of mutual interest and concern. The two

Foreign Secretary (Shri Shyam Saran) : Thank you very much and good afternoon to all of you.

I think you are already in possession of the various documents, which have been signed during the visit. So I do not need to go into those details. Let me just try and pick out for you what are the significant points in these agreements.

First of all, the most important document to be signed during this visit was the Joint Statement between the Prime Minister of India and the Prime Minister of China. It is, as you would notice, a fairly substantive document, a detailed document. The key element in that is that the two countries have decided to upgrade their relationship to a strategic and cooperative partnership for peace and prosperity. Earlier we had talked about a cooperative partnership between India and China taking into account the global environment. Now there is a raising the level of the relationship between the two countries with a common understanding that there is a certain level of maturity, which has been reached in the relationship between

leaders are expected to review the current state of bilateral relations and discuss ways and means to further strengthen the constructive and cooperative partnership keeping in view the current international situation and the global and strategic perspective of bilateral relations. Several agreements in diverse areas of interaction are expected to be concluded during the visit. Their discussions are expected to cover issues related to the India-China boundary question, including the work of the Special Representatives, confidence building measures and clarification and confirmation of the line of actual control. As you might be aware, the Special Representatives of the two Governments have been engaged in discussions to explore from the political perspective of the overall bilateral relations the framework of a boundary settlement. Their next meeting is scheduled on April 10, before the meeting of two Prime Ministers. The discussions are currently focused on the political parameters and guiding principles for the settlement of the boundary question.

It is expected that the discussions between the two Prime Ministers will dwell in detail on India-China economic cooperation, including trade and investment, which constitutes an important dimension of a stronger China-India relationship. As is known, the two sides had set up a Joint Study Group (JSG) to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The Joint Study Group has already completed its work and finalised its report, which will be presented to the two Prime Ministers. The two leaders may decide to give further directions on the recommendations of the JSG."

Underlying the importance of the visit, the Spokesperson said: "We attach great importance to the visit of Premier Wen Jiabao to India. He has visited India earlier in 1994 at the head of a delegation from the International Liaison Department of the Communist Party of China. This is, however, his first visit as the Prime Minister of China, a country with which we enjoy friendly and good neighbourly ties. Premier Wen's visit is also taking place in the 55th anniversary year of the establishment of diplomatic relations between the two countries. His visit is expected to contribute to developing trust, understanding and confidence between India and China."

the two countries. Important in this aspect is that on a number of occasions it was mentioned by the Chinese Prime Minister and endorsed by the Indian Prime Minister that India and China are partners and they are not rivals. This is an important aspect that we do not look upon each other as adversaries, but we look upon each other as partners. So, this is the sort of most important element of the declaration, a declaration of a cooperative and strategic partnership for peace and prosperity between India and China.

The other important aspect that I would like to draw your attention to is the very categorical acceptance of Sikkim as a part of India. Here you would have seen in the Statement that there is a specific and explicit reference to the Sikkim State of the Republic of India. The Chinese side has also brought to our attention the new map that they have now published. I do not know whether you can see, but here is Sikkim, which is now shown under India's international boundaries with the same colourwash as the rest of India. So, this is now the official map, which has been printed by China and they have handed this over to us to demonstrate that this issue, as Prime Minister Wen Jiabao mentioned to our Prime Minister, is no longer an issue in India-China relations. It is something, which has been now put behind us. So, this is the second important aspect of the Joint Statement.

The third aspect which I would like to draw attention to will link up with the second document. This is the reference to the proactive manner in which both countries will deal with the issue of boundary settlement. The approach that has been accepted by the two Prime Ministers is that we are seeking a political settlement of the boundary question² in the context of their overall and long-term interests. So, this is something which also needs to be pursued as a strategic objective.

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2. Chinese Premier in an interview to the Indian new agency Press Trust of India (PTI) days before the beginning of his visit suggesting that India and China should handle their relations from a "strategic high ground" had said that a solution to the boundary issue was possible if the two sides showed mutual accommodation "while taking the reality into account," and added: "China and India have reached important consensus. That is, both sides should view and handle the relations from a strategic high ground bearing in mind the larger picture and refuse to let questions left over from history disrupt and impede the development of friendly relations." Observing that peace and tranquility have prevailed in the Sino – India border areas thanks to the concerted efforts by both sides, Wen said that the Special Representatives on the boundary question have had four meetings, where the two sides conducted "useful" discussions on the political guiding principles with "sound progress". "I believe that as long as the two sides act in a spirit of mutual understanding and mutual accommodation, respect history while taking the reality into account, they will be able to find a mutually acceptable solution to the boundary question through negotiations on the equal footing", Chinese Premier told the PTI.

As I had mentioned to some of you, the Chinese Special Representative had come to New Delhi a day in advance of Premier Wen Jiabao's visit. A round of discussions was held between Shri M.K.Narayanan, our National Security Advisor, and His Excellency Mr. Dai Bingguo who is the Vice Foreign Minister but also the Special Representative from the Chinese side. They were able to reach a consensus on the text of the Political Parameters and Guiding Principles for the settlement of the boundary question. Those principles, eleven in number, are also now public. So, I think you can judge that these are very important agreements that have been arrived at on what would be the basis for the next phase of our work. The next phase of our work is that the two Special Representatives will actually be working on the framework for a boundary settlement.

In this context, during the talks that were held between the two Prime Ministers, the point was made that on the Indian side we have the political will to take the decisions which are necessary in order to reach a boundary settlement with China, and that same sentiment was also expressed from the Chinese side.

As you know, we have been talking about a three-phase process in terms of the settlement of the boundary issue. First phase has been completed. Second phase will involve the framework. The third phase will be when we actually get down to doing the necessary delineation on the ground. It is expected that we will start work on the second phase at a very early date.

Now, in addition to these two very important agreements, we also have a protocol on confidence-building measures again relating to the situation on the boundary. We have had an agreement in 1993 for the maintenance of peace and tranquility along India-China border. Then, there was a follow-up agreement in 1996. Really what we have now agreed upon is concretizing some of the elements that were agreed upon in those two documents.

There are various elements in this relating to, for example, avoidance of large-scale military exercises in close proximity of the Line of Control; the procedure which is to be followed by both sides in the eventuality of their border personnel coming face to face with each other; establishment of additional points for meetings between border personnel along the Line

of Control. It has also been agreed that, as you would have seen in the Joint Statement, a considerable amount of importance is attached to the parallel exercise being carried out in the Joint Working Group for the clarification of the Line of Control. In that context also the exchange of maps on the various sectors, each side putting forward each side's perception on the Line of Actual Control. So, this exercise will also continue in parallel.

These are some of the important agreements. In addition, in the talks there was considerable focus on the economic relationship between India and China. I think it was a common view expressed by both the Prime Ministers that while we should express satisfaction at the very rapid increase and the somewhat dramatic increase which has taken in the India-China trade, which as you know, is almost at the level of 13 billion dollars currently, but it was felt that this is still very far from the potential between the two countries – potential both in terms of the political relationship that they had now established. So, it was not in keeping with that level of political relationship. Secondly, it was also mentioned that there are actually considerable complementarities between the economies of India and China. That although we are both very large developing countries and there may be a certain degree of overlap in our developmental patterns, but actually there is also a very large area of complementarity between the two countries as far as their economies are concerned. Here, for example, Premier Wen Jiabao mentioned about his visit to Bangalore when he said that "India has obvious strengths in the area of software. China has certain strengths in the area of hardware. Is it not possible for us to bring our strengths together in order that they should be of mutual benefit to both sides." This was cited as one of the areas of complementarity.

So, there was, therefore, an agreement that the various recommendations which have been made by the Joint Study Group on the promotion of economic and commercial relations between India and China. You know, that report was handed over to the Prime Ministers today by the respective Commerce Ministers of the two countries. It was agreed that those various recommendations will be now followed up and we will make every effort to implement those recommendations, which also includes the study of the feasibility of setting up a Regional Framework Arrangement between India and China. This aspect of economic relationship, as one of the foundations of India-China relations, was something which was

emphasized by both Prime Minister Dr. Manmohan Singh as well as Premier Wen Jiabao.

There was also an exchange of views on other aspects of our relations. The fact is that in areas like science and technology there is considerable strength that both India and China have. Premier Wen Jiabao was quite impressed by his visit to ISRO where he was able to see the Satellite Development Centre. He also visited the Indian Institute of Science in Bangalore. He had the opportunity to talk to several scientists and the Institute. From those discussions and this afternoon there was also a meeting with our President, a very distinguished scientist himself, it was agreed that in addition to information technology there are areas such as biotechnology, nanotechnology, space sciences, where the two sides could work together. The President even suggested that there could be joint projects in some of these areas which was very much welcomed by Premier Wen Jiabao.

As you know, this also happens to be the 55th year of the establishment of diplomatic relations, and also the 50th year of the Panchsheel. There are certain events, which are being held to celebrate these anniversaries. This evening itself, a major cultural programme is being held for commemoration of the anniversary. In this connection attention was drawn to the fact that we are already doing a cultural exchange for this celebration. Some Chinese events are being held in India and Indian events are being held in China. But, there was a proposal made that 2006 should be declared an India-China Friendship Year and should be celebrated as such. This was welcomed by the Indian side.

Premier Wen Jiabao also said that during the current year itself he would like to invite 100 Indian youth to visit China as China's guests and give them a chance to the exposure to different aspects of China and its development. This was also something, which we welcomed. There are a number of other agreements that have been signed. I do not think I will go into each and every detail. Perhaps to just give a flavour of the discussions, which took place, quite clearly there was already a certain personal rapport, which had been established between the two Prime Ministers when they had met at Vientiane. That was the time when Premier Wen Jiabao told our Prime Minister that he considers his forthcoming visit to India to be the most important event for China in the year 2005. He repeated that sentiment again.

He had a very easy conversation with PM. He described the Prime Minister not only as an outstanding statesman but also as a scholar. He said that he was very much longing to visit India. He recalled that he visited India eleven years ago as head of an International Liaison Department of the Communist Party Delegation and he had had a chance to see something of India. But on this occasion when he visited India after this gap of eleven years he found that there were such major changes that had taken place in the country. He said that India has experience in a number of areas that China could learn from. He also stated that in terms of the talent, which he found in India, this was something quite remarkable and this is another strength of India, which China could benefit from.

He also mentioned that with the kind of results that had been achieved from this visit, it was undoubtedly a historic visit in India-China relations. He said it was not an ordinary visit, it was quite an outstanding visit, and the results, which have been achieved from this visit would be something that would draw the attention of the entire world that India and China are cooperating in this manner.

Another important element was a very clear assertion by Premier Wen Jiabao that a strong, stable and prosperous India serves China's interest. This he repeated a couple of times. The other aside, it was also mentioned that we have been talking about how we need to look at solving the outstanding problems including the boundary problem from a political perspective. Here what Premier Wen Jiabao said to Prime Minister was that in the recent past on a number of issues it is the political leaders of the two countries who have given the big picture, given the big vision, managed to resolve some of the issues which could not be solved at the bureaucratic level or the technical level. They were able to overcome that narrower perspective. In this connection he said that the decisions of the political leaders are what will determine the course of India-China relations. So, there is clearly a very strong political commitment to taking India-China relations forward.

As I mentioned to you, there was also a meeting this afternoon with the Rashtrapatiji, a very interesting meeting where Premier Wen Jiabao said that he was very familiar with the writings of President that very frequently he even quotes our President when he is talking about the importance of education, or science and technology. He also said that the

areas which the President had identified for cooperation between the two sides such as biotechnology, information technology, nano-technology, space technology, these were precisely the areas in which he would go back and make certain that we can actually do some concrete work together.

Just to also mention to you that when the two leaders were talking about the importance of India-China friendship, the two countries constituting over two billion people, in terms of the maintenance of peace not only for the two countries but for Asia and the world.

The President said that in preparing for this meeting he came across a very profound saying by one of the Chinese Philosophers whose name is Lao Tzu, a very ancient philosopher. He has a small saying on “keeping the peace”, that is the heading. If you are interested, I will just read it out to you. It made a very big impression at the meeting. Lao Tzu says that, “Do not exalt the very gifted, And people will not contend. Do not treasure goods that are hard to get, And people will not become thieves. Do not focus on desires, And people’s minds will not be confused. Therefore, Evolved individuals lead others by Opening their minds, Reinforcing their centers, Relaxing their desires, Strengthening their characters.”

This was something that President read out to Premier Wen Jiabao who was extremely impressed. They also talked about the ancient long-standing history of relations between India and China. President referred to the travel of the Chinese monk Hiuen Tsang to India in the 7th century and his long sojourn at Nalanda University. Premier Wen referred to even earlier travelers from China to India and from India to China. Thereafter, President gave him a very short demonstration on this computer on this plan of PURA – Providing Urban Amenities in Rural Areas - which again was of very great interest to Premier Wen Jiabao because he himself is very much interested in rural development.

Later this evening, External Affairs Minister will also be calling on Premier Wen Jiabao. That is at around 5.15 pm. Thereafter, there will be the cultural programme at which both the Prime Ministers will be present. Tomorrow, the Prime Minister of China will be going to the Indian Institute of Technology where he will be delivering an address. Around noon is his departure from India.

So, all in all, this is an extremely successful visit, with very important

results, results which are very far-reaching in character and (have) set the pace for much more accelerated development in our bilateral relations.

On the issue of India's candidature for the UN Security Council, every indication was given during the talks that China would welcome India's emergence as a permanent member of the UN Security Council. So, we have every reason to be quite satisfied with the results of the visit³.

Question : On the issue of permanent membership for India in the UN Security Council, you have just said that you have every reason to be satisfied. Do you think this to be a forward movement on that as China has recently said that it would like to have consensus on the issue when it comes in the General Assembly?

Foreign Secretary: What was conveyed to us was that the question of reform of the United Nations was a broader agenda in which there was also the issue of the membership of the United Nations, and that no consensus had yet been reached about how this is going to be brought about. But, while there may be certain lack of agreement on the mechanism to be adopted, China was very clear in its mind that India was one of the largest developing countries in the world; that the UN Security Council should have greater representation of the developing countries; and that China will be happy to see India as a permanent member of the Security Council. So, I do not think we need to belabour the point. I think the Chinese attitude is very clear, very positive. In general terms, it is also reflected in the Joint Statement.

Question : What precisely does this strategic relations mean? With regard to agreement on political parameters and the guiding principles, what exactly does this framework mean? Would it be a framework through which these adjustments will be made? Will it be a new kind of a Joint Working Group? Will it be a Technical Group?

Foreign Secretary : As far as the strategic partnership is concerned, it is

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3. On April 19 the Chinese Ambassador in India Sun Yuxi reiterated at a press conference China's support for India's candidature of the UN Security Council. He said: "Whenever time comes for taking a decision on giving support to any country, India will be on top of the list. We have no difficulty in supporting India." He said the Chinese Premier Wen Jiabao had also given an assurance in this regard to Prime Minister Manmohan Singh during their talks.

actually a concretization of what we have been saying for some time, which is that if you look at the international situation today and if you look at the increased role that India and China have come to play in the recent past because of their economic development, because of the fact that they are the two largest developing countries, both agree that their relationship has acquired a certain strategic dimension, a certain global dimension. That is, India-China relations are not merely limited to their bilateral relations. But what happens in India-China relations has a certain global impact, has a certain strategic impact.

There is also a sense that India and China on a number of regional and international issues have both common concerns and also have certain common positions. Therefore, there is a certain merit in the two countries working together on these common issues, which also have a certain impact on the interests of the developing world as a whole. So, that is the context in which this partnership has been projected. As you will see, it is a strategic partnership for a certain objective. What is that objective? It is for peace and for prosperity. So, it is very clear that it is not a military alliance, it is not India and China coming together against this or that country or against this or that region, but rather expressing a very positive kind of a view of their relationship that the two countries' bilateral relations have today acquired a certain global character, a certain strategic significance. That is what it means.

If we look at the political parameters and guiding principles, as I mentioned to you, we have been looking at this exercise as a three-step process. What we have achieved so far is the first phase where both sides have agreed principles. That is, the significance of these principles lying in the fact that both countries subscribe to these principles. What do these principles do? They in a sense set out the parameters, or they set out the kind of limits within which the two countries will have to find a politically-acceptable solution to the boundary issue; that certain things will be ruled out because these principles have been agreed upon; certain pointers are being given to how you find a settlement of the boundary issue, how do you treat differences between the two countries.

So, the next phase of the exercise which is actually looking for an

actual framework for a boundary settlement. The framework for the boundary settlement will essentially be working out the adjustments, which may be required. Of course, these adjustments will be broad in character. It is in the third phase that we would get down to the very specific agreements in terms of the delineation and the demarcation. But the framework would be essentially a political decision by the two countries that this is the manner in which based on these principles we intend to resolve the boundary issue. I think that is really the sense. It is in this connection that I pointed out to you that a very clear statement made by, for example our Prime Minister, that we have the will to take the decisions that are required in order to reach a settlement. That is the sentiment, which was also expressed from the Chinese side.

Question : In the guiding principles, could you explain a little what you mean by package settlement? Is it that you would be addressing all the sectors together? Would there be spirit of give and take to that?

Foreign Secretary : I do not think we are saying that we will be looking at all the sectors together. What we are saying is that we may look at different sectors one by one but the settlement will be an overall settlement that there will have to be obviously a certain degree of balance. You cannot say I am going to settle this part first and then I will look at another part. That will not allow that kind of overall balance to emerge. So, when we talk about a package settlement, it means that it will be a settlement, which has a certain overall balance in terms of whatever adjustments that will be need to made.

Question : The issue of energy security to which there is a reference in the Joint Statement, what does it mean? It says about cooperation in the third country. But there is also an element of competition between India and China being vast energy consumers. So, would there be an element of cooperation on this aspect and who is going to ... what would be the mechanism for it?

Foreign Secretary : I do not think there should be any sense that there is no competition between India and China. Yes, there will be areas where there will be competition. But there are also certain convergent interests. You mentioned the energy sector. Obviously if both India and China are looking for oil and say gas resources, if both get into a bidding war with each other, it does not help either India or China. So, there is a certain sense in the two countries consulting more closely with each other, in some

ways coordinating with each other, and in some areas, like for example in Central Asia, even working together. Why cannot Indian energy companies and Chinese energy companies in fact work together in some kind of a consortium in certain areas and do joint development? These are the kind of possibilities that we want to suggest when we are mentioning these in the Joint Statement.

Question : You spoke about United Nations reform. China had sometime ago mentioned that there should be international consensus on the issue. Did you raise that issue with them? Did you speak about China and Pakistan? Did this issue also come up?

Foreign Secretary : With regard to the UN Security Council, again our approach need not necessarily be the same as the Chinese approach. As you very rightly mentioned, there have been statements emerging from China saying that they would prefer that the reform of the UN Security Council, any expansion, should be done on the basis of consensus. There may even be some doubt about whether China supports the formula A or formula B. Those things have not yet been clarified. So, there may be differences in approaches with regard to the question of UN Security Council reform. What is important from our point of view is a very clear political statement coming from China that it would be happy to see India as a permanent Security Council member, and that it supports a greater role by India in international affairs and in the United Nations, which is mentioned in the Joint Statement.

There was no specific discussion of arms supply to Pakistan or arms supply to any other country. In the discussion, there was exchange of views on India-Pakistan relations. In this context, Premier Wen Jiabao expressed his support for the ongoing peace process between India and Pakistan. He said that this was something that China welcomed, the reduction of tensions, and that China with regard to South-Asia had no selfish interest, this is the term he used, to pursue with regard to this region, it wishes to have very friendly relations with all the countries in the region.

Question : Chinese interest in joining the SAARC, was that discussed? If not, what in any case is India's stance on that?

Prime Minister Vajpayee told Lok Sabha after the Agra Summit that the Shaksgam Valley issue was discussed with President Musharraf. That

brings Pakistan also in the equation of the boundary dispute with China. Does it or does it not?

Mr. Natwar Singh had mentioned something about a nuclear strategy involving Pakistan and China and India. Is that a serious issue? Was that discussed?

Foreign Secretary : What was generally mentioned by the two leaders was that regional cooperation is something important, both countries support regional cooperation and the participation by each other in such regional cooperation. But, no specifics were mentioned in this regard. You talked about China's interest in being associated with SAARC. I think I have pointed out earlier also that when this matter had come up in the SAARC, what had been decided by consensus was that we should not take ad hoc decisions with regard to requests from various countries for observer status or for some kind of a partnership status; that we need to evolve certain agreed criteria on the basis of which we could look at this kind of request; also we need to work out what precisely the nature of the association of a partner country or of an observer country with regard to the deliberations of SAARC itself.

What would be the mechanism for them, for example, to cooperate with SAARC on actual projects? When this was discussed, then it was agreed that the SAARC Secretariat would prepare a paper on these issues, which were raised by the member countries and this would be then circulated to the member countries in time for the next SAARC Summit. So, I would imagine that when the SAARC Summit is held, then one of the issues that will come up will be the Secretariat's recommendations with regard to what are the criteria we should be applying in order to deal with applications not just from China but from other countries and organisations as well. That is with regard to SAARC.

As I said, we have not got down to the stage of actually looking at specific sectors of the border. What we have done so far is agree upon a set of guiding principles and political parameters. It is when we get down the nitty-gritty of actually looking at the border and what kind of a framework needs to be put in place in order to enable us to come to a settlement. Then, perhaps these issues that you are raising will also be included.

There was no discussion about a nuclear doctrine between India

and China or involving any other country. Not in these talks.

Question : Back to the UN Security Council, you have said that the Prime Minister said that they would welcome India's emergence as a candidate. In your view, is this a movement forward from what Deng Xiaoping said in October that they understand and support India's greater role in international institutions including the UN Security Council. Are you saying that this is a movement forward?

Foreign Secretary : That is the sense I have, yes.

Question : India also wants to join Shanghai Cooperation Organisation. Was that discussed?

Foreign Secretary : As I said, not specifically. As you know, we have already applied for observer status in Shanghai Cooperation Organisation and the Secretariat actually is located in Beijing. So, China is aware that we are an applicant for observer status. A general support has been expressed for the participation of each other in regional cooperation processes. I am told that PM did mention in the opening statement that India had applied to become an observer of the Shanghai Cooperation Organisation.

Question : Did the Chinese Prime Minister respond to it?

Foreign Secretary : He did not respond specifically to this particular issue but he did say that China supports the participation of India in various regional processes for regional cooperation. That was the sentiment also expressed by the Prime Minister. For example, he did mention Asian Summit which is being sponsored by ASEAN.

Question : Did the issue of Nepal come up in the talks?

Foreign Secretary : No, we did not discuss Nepal. In fact, we did not really have time to discuss any specific regional issues.

Question : What is the regional trade arrangement that they talked about? What does that imply?

Question : Why does India not want a Free Trade Area with China? It is the same question, Sir.

Foreign Secretary : I would request you to kindly look at the

recommendations of the Joint Study Group on promotion of economic and commercial cooperation between India and China. I think you will find that it is an extraordinarily detailed study which looks at various aspects of the relationship between India and China. As I mentioned, there is a recognition that there will be a competition element in India-China economic and commercial relations but there is also a recognition that there is a considerable amount of complementarity between the two economies, and it would be worthwhile for us to build upon those complementarities. The fact that within a very short period of time our trade has grown in such a spectacular manner quite beyond expectations to fourteen billion dollars, and it is still growing, would appear to show that the convergences, the complementarities are perhaps stronger than the competitive elements.

The other aspect is that both economies in any case are liberalizing and opening. Tariff levels are going to be coming down. So, I think that there may be a flood of Chinese goods into India or vice versa, I do not think that we need to worry so much about that aspect. There are enough safeguards I think in terms of the kind of arrangements that we are looking at. I think given the fact that these are two very very large economies and developing at a very rapid pace, the sense that is coming out from the conversations that we have been having is that there is enough place for both of us, and that in terms of market, in terms of sources of supplies actually India and China can develop a relationship which benefits both. The point that was made was that although China and India are both very large developing countries, but there is a certain difference in their pattern of development. We have certain areas of strength, which China does not have. China has certain areas of strength, which India does not have. Many of you would have seen the editorial, which came in *The Beijing Review* on the eve of the visit. I think that is the sense which is coming out. I think I mentioned to some of you that the pattern of development of the Indian economy has been quite different from the pattern of development of the Chinese economy.

Today in India's economic development you find that the contribution of the services sector is much larger than is normally the case for a developing country. There are obviously areas of strength. When Premier Wen Jiabao decided to go to Bangalore, why did he go to Bangalore? It is because there was a sense that there are areas of excellence in India, which could be also of benefit to China. So I think without really setting

aside the aspect of competition, nobody is saying there is no competition between India and China. Obviously, there will be competition just as there is competition with other countries as well in terms of trade. We have our comparative advantages; other countries have their comparative advantages. There will be competition. Having said that, we also are very conscious of the fact that there are very large areas of complementarity, which we can exploit in order to benefit both the economies.



288. Joint statement issued during the visit of the Premier of the State Council of the People's Republic of China Wen Jiabao.

New Delhi, April 11, 2005.

I. H.E. Mr. Wen Jiabao, Premier of the State Council of the People's Republic of China, is currently paying a state visit to the Republic of India from 9 to 12 April 2005 at the invitation of H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India¹.

During the visit, Premier Wen Jiabao held talks with Prime Minister Dr. Manmohan Singh, called on President Dr. A.P.J. Abdul Kalam and Vice President Shri Bhairon Singh Shekhawat, and met with Chairperson, United Progressive Alliance Smt. Sonia Gandhi. External Affairs Minister Shri K. Natwar Singh and Leader of Opposition, Lok Sabha Shri L.K. Advani will call on him. Premier Wen paid a visit to Bangalore² and will deliver a speech at the Indian Institute of Technology in New Delhi.

1. Before the start of the Chinese Premier's visit, the Prime Minister held discussions with his predecessor Atal Behari Vajpayee, and the Leaders of the Opposition in Parliament L. K. Advani and Jaswant Singh on April 9. He held similar discussions with the other parties supporting the government in an effort to evolve a consensus on key foreign policy issues. Meanwhile the Home Minister Shivraj Patil said on April 9 that New Delhi was hopeful of resolving its dispute with China but cautioned against expecting overnight results after the Chinese visit. He said: "They (the two Premiers) will discuss how to solve this (border) problem, about trade and how to maintain peace...We should not expect that talks will be held today and tomorrow there will be result. But we are going on the right path and in the present circumstances, we are very hopeful (of resolving the dispute).
2. The Chinese Premier's visit started in Bangalore where he visited the Indian Space Research Organization's Satellite Centre, and Huawei Technologies, a hundred percent subsidiary of the Chinese global telecom giant of the same name. India has a MOU with the Chinese

Leaders of the two countries had an in-depth exchange of views in a sincere, friendly and constructive atmosphere and reached broad consensus on bilateral relations and international and regional issues of common concern.

II. The two sides reviewed the friendly contacts and progress in their bilateral relations in recent years and agreed that India-China relations have entered a new stage of comprehensive development. Both sides noted with satisfaction that with the frequent exchange of visits between leaders of the two countries, the process of building trust and understanding has gained momentum. Rapid growth of trade and economic cooperation has been coupled with the expansion of exchanges and cooperation in other fields. The two sides have made incremental progress in addressing outstanding issues. The two sides have also maintained good communication and collaboration in international and regional affairs. Both sides agreed that India and China have made satisfying progress in developing their long-term constructive and cooperative partnership.

The two sides recalled the Declaration on Principles for Relations and Comprehensive Cooperation between the two Prime Ministers on 23 June 2003 and reiterated that the Declaration provided a shared vision of bilateral relations and an agreed framework for cooperation.

III. In the light of the development of their bilateral relations, in order to promote good neighbourliness, friendship and mutually beneficial cooperation and taking into account the profound changes in the regional and international situation, the two sides agreed that India-China relations have now acquired a global and strategic character. The leaders of the two

National Space Agency on cooperation in the application of space for peaceful uses. In a press release ISRO said the Chinese Premier's visit is expected to provide further impetus to explore more areas of cooperation in space application. While visiting the India Institute of Sciences he mooted the idea of a joint steering committee to help promote institution-level collaboration between India and China in science and technology. Briefing the newsmen the Director of the IISc Goverdhan Mehta said the Chinese delegation evinced keen interest in chip design technology, genomics and biological sciences. The visit of the Chinese Premier was marred by an ugly incident involving a protest by a Tibetan refugee who climbed the four-floor high building's tower and put up a banner of "Free Tibet" and screamed his speech. He was however overpowered and arrested. The State Government ordered an investigation. The Official Spokesperson in New Delhi Navtej Sarna described the incident as "unfortunate" and said: "the miscreant has been promptly apprehended and the State Government is conducting an investigation. Premier Wen Jiabao is an honoured guest of this country and all efforts are being made to ensure a complete success of the visit."

countries have, therefore, agreed to establish an India-China Strategic and Cooperative Partnership for Peace and Prosperity.

Such a partnership is based on the principles of Panchsheel, mutual respect and sensitivity for each other's concerns and aspirations, and equality; provides a sound framework for an all-round and comprehensive development of bilateral relations based on mutual and equal security, development and prosperity of the two peoples; and contributes to jointly addressing global challenges and threats. It reflects the readiness of the two sides to resolve outstanding differences in a proactive manner without letting them come in the way of the continued development of bilateral relations.

IV. The two sides agreed that high-level exchanges between the governments, parliaments and political parties of the two countries play an important role in expanding overall bilateral cooperation. They conveyed their determination to maintain and strengthen the momentum of such exchanges in future and agreed to hold regular meetings between the leaders of the two countries. In this context, the two sides also reiterated their intention to promote regular ministerial-level exchanges and make full use of the India-China strategic dialogue and other bilateral dialogue mechanisms.

V. The year of 2005 marks the 55th anniversary of the establishment of diplomatic relations between India and China. To mark the occasion, the two countries will organize a series of commemorative activities. It was noted that "Cultural Festival of China" was currently underway in India and that a corresponding "Cultural Festival of India" would be organized in China later in the year. The two sides would also organize other cultural activities to further promote mutual awareness and deepen the friendship between the two peoples. The two sides declared 2006 as the "year of India-China friendship".

Both sides expressed satisfaction with strengthened exchanges in the area of culture, and affirmed that mutual understanding and cultural exchanges would facilitate development of cooperation in other areas as well. In order to reinforce traditional cultural links, an agreement was concluded for the construction of an Indian-style Buddhist temple at Luoyang in Henan Province of China.

VI. The two sides stressed that an all-round expansion of India-China economic cooperation, including trade and investment, constitutes an important dimension of a stronger India-China relationship. The two countries agreed to make joint efforts to increase the bilateral trade volume to US\$ 20 billion or higher by 2008. The two sides welcomed the report of the Joint Study Group (JSG) that was set up to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The two Prime Ministers tasked the Ministerial-level India-China Joint Economic Group (JEG) to consider these recommendations and coordinate their implementation. For this purpose, the two sides will make their best endeavour to hold the next meeting of the JEG within the next six months. The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The Prime Ministers agreed to appoint a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

Both sides noted that the Agreement on the Establishment of a Financial Dialogue Mechanism would further facilitate the dynamic and diversifying economic cooperation between the two sides. They will continue consultations on concluding the Bilateral Investment Promotion and Protection Agreement.

The two sides noted with satisfaction that the two countries have signed the SPS Protocols for the export of grapes and bitter gourd from India to China. The two sides also agreed to constitute a Joint Working Group to implement expeditiously the MOU on Application of SPS between the Chinese General Administration of Quality Supervision, Inspection and Quarantine and the Indian Ministry of Agriculture.

China positively evaluates market access for Indian rice to the Chinese market and will launch as early as possible the risk analysis

procedure of the Indian rice in accordance with relevant Chinese laws and regulations.

VII. The two sides agreed to further promote the cooperation in the spheres of education, science and technology, healthcare, information, tourism, youth exchange, agriculture, dairy development, sports and other fields on the basis of mutual benefit and reciprocity. The two sides decided to establish an India-China Steering Committee on Scientific and Technological Cooperation chaired by their Ministers for Science and Technology, and start consultations on an agreement on mutual recognition of academic certificates and degrees between India and China. The two sides announced the launching of regular youth exchange activities. China will invite 100 Indian youth to China within the year of 2005 and hold an exhibition this year on advanced and applicable technologies in India.

VIII. The two sides recognized the importance of strengthening mutual connectivity and agreed to jointly work towards further enhancement of direct air and shipping links, tourism and people-to-people contacts. It was noted with satisfaction that an MOU on major liberalisation of civil aviation links between India and China was concluded during the visit.

IX. The two sides will continue to cooperate in exchanging flood-season hydrological data of the trans-border rivers as agreed between them.

In response to concerns expressed by the Indian side, the Chinese side agreed to take measures for controlled release of accumulated water of the landslide dam on the river Parechu, as soon as conditions permit. It was noted with satisfaction that an agreement concerning the provision of hydrological data on Sutlej/Langqen Zangbo was concluded during the visit and that the two sides had also agreed to continue bilateral discussions to finalize at an early date similar arrangements for the Parlung Zangbo and Lohit/Zayu Qu Rivers.

The two sides agreed to cooperate in the field of energy security and conservation, including, among others, encouraging relevant departments and units of the two countries to engage in the survey and exploration of petroleum and natural gas resources³ in third countries.

1. The Petroleum Minister discussed with the Chinese the proposal to extend the proposed 4.16 billion dollars gas pipeline from Iran to China's southern region across India via

X. The two sides noted the useful exchanges and interaction in the military field and decided to further promote such exchanges and interaction. They agreed that broadening and deepening of defense exchanges between the two countries was of vital importance in enhancing mutual trust and understanding between the two armed forces, and to ensuring a peaceful environment in which they could pursue their respective national development objectives. The two sides decided to further strengthen effective contacts and exchanges in this field.

XI. During the visit, the two sides exchanged views on the India-China boundary question and reiterated their readiness to seek a fair, reasonable and mutually acceptable solution, through equal and friendly consultations and proceeding from the overall interests of bilateral relations. They expressed satisfaction over the progress made in the discussions between the Special Representatives of the two countries and welcomed the conclusion of the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question. Both sides are convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective. They expressed their commitment to the mechanism of Special Representatives for seeking a political settlement of the boundary question in the context of their long-term interests and the overall bilateral relationship.

Pending a final resolution, the two sides will continue to make joint efforts to maintain peace and tranquility in the border areas in accordance with the Agreements of 1993 and 1996. Both sides agreed that while continuing the discussions between the Special Representatives, it is also important that the Joint Working Group (JWG) continues its work to seek an early clarification and confirmation of the Line of Actual Control (LAC). Progress made so far on the clarification of the LAC in the India-China border areas was noted. It was agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters, with the

Bangladesh and Myanmar as part of the Asian energy grid. The Minister said India and China could collaborate in their quest for oilfields abroad. "While market will dictate competition (between the two countries) on projects, there is also a possibility that we collaborate in certain places." "When the world's two top energy thirsty countries pit against each other, the bid price for the exploration properties goes up", the Minister said.

objective of arriving at a common understanding of the alignment, as soon as possible.

The two sides expressed satisfaction at the progress achieved in the implementation of the Agreements of 1993 and 1996 and agreed to fully implement them expeditiously. Towards that end, they concluded a Protocol on Modalities for the Implementation of Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas.

XII. The Indian side reiterated that it recognized the Tibet Autonomous Region as part of the territory of the People's Republic of China and that it did not allow Tibetans to engage in anti-China political activities in India.

The Indian side recalled that India was among the first countries to recognize that there is one China and its one China policy remains unaltered. The Indian side stated it would continue to abide by its one China policy.

The Chinese side expressed its appreciation for the Indian positions.

XIII. Both sides reviewed with satisfaction the implementation of the memorandum on the border trade through the Nathula Pass between the Tibet Autonomous Region of the People's Republic of China and the Sikkim State of the Republic of India.

XIV. The two sides noted with satisfaction that through friendly consultations an agreement in principle had been reached between the two countries to solve the long-pending issue of property originally belonging to Indian Consulate General in Shanghai with the Chinese side agreeing to provide a plot of land in lieu of the premises of the original Consulate General of India.

XV. As two large developing countries, both India and China were aware of each other's important role in the process of promoting the establishment of a new international political and economic order. Both sides share common interests in the maintenance of peace, stability and prosperity in Asia and the world at large, and share the desire to develop closer and more extensive understanding and cooperation in regional and international affairs.

The two sides are supportive of democratization of international

relations and multilateralism, stand for the establishment of a new international political and economic order that is fair, rational, equal and mutually beneficial, and promote North-South Dialogue and South-South Cooperation. The two sides believe that the international community should eliminate poverty, narrow the gap between North and South, and achieve common prosperity through dialogue and cooperation.

XVI. The two sides reiterated the importance of the United Nations in global peace, stability and common development and expressed their determination to continue their efforts, together with the international community, in strengthening the UN system to develop a sound multilateral basis to address global issues. Both India and China agree that reform of the United Nations should be comprehensive and multi-faceted and should put emphasis on an increase in the representation of developing countries. The Indian side reiterated its aspirations for permanent membership of the UN Security Council. The Chinese side also reiterated that India is an important developing country and is having an increasingly important influence in the international arena. China attaches great importance to the status of India in international affairs. It understands and supports India's aspirations to play an active role in the UN and international affairs. The two sides reaffirmed their readiness to conduct close consultations and cooperation in the process of UN reforms.

XVII. The two sides, aware of the threats posed by terrorism to the peace and security of the two countries and the whole world, resolutely condemn terrorism in any form. The struggle between the international community and global terrorism is a comprehensive and sustained one, with the ultimate objective of eradication of terrorism in all regions. This requires strengthening the global legal framework against terrorism. Both sides noted the positive outcome of the meetings held so far of their bilateral dialogue mechanism on counter-terrorism and agreed to further strengthen and consolidate their discussions and cooperation. It was agreed to hold the next meeting of the dialogue mechanism on counter-terrorism later this year.

XVIII. Both sides agreed to conduct regular exchange of views on major international and regional issues, strengthen cooperation in the WTO and other international multilateral organizations, and to continue the consultations on other issues of common concern. They agreed to work together to preserve stability and growth in the global economy and reduce

disparities between developed and developing countries. They supported an open, fair, equitable and transparent rule-based multilateral trade system and resolved to safeguard the legitimate rights and interests of the developing countries.

XIX. Aware of their linked destinies as neighbours and the two largest countries of Asia, both sides agreed that they would, together, contribute to the establishment of an atmosphere of mutual understanding, trust and cooperation in Asia and the world at large, and facilitate efforts to strengthen multilateral coordination mechanisms on security and cooperation⁴.

XX. During the visit, the two sides signed and/or released the following documents⁵.

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4. Meanwhile addressing students of the Indian Institute of Technology in New Delhi Premier Wen Jiabao emphasized that the 21st century could belong to Asia if India and China developed relations and worked together and said the two countries were not rivals but friendly neighbours. He said: "Some see China and India as only rivals is not right. China and India are friendly neighbours and can be cooperative partners," Wen said. Emphasizing the need for developed countries to close ranks, he said: "India hopes to play an important role in the UN and we extend our support....It was important to carry forward the tradition of peace...We wish to see India prosperous and developed. Also, a prosperous and developed China is in India's interest."
 5. Brief details of the agreements/MoUs signed are given below:
 - (1) Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question**
(Signatories: Shri MK Narayanan, National Security Advisor, and Mr. Dai Bingguo, Chinese Special Representative) (See Document No. 289)
 - (2) Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas**
(Signatories: Shri Shyam Saran, Foreign Secretary and Mr. Wu Dawei, Vice Foreign Minister of China)(See Document No. 290)
 - (3) Report of the India-China Joint Study Group on Comprehensive Trade and Economic Cooperation**
(Presented to the Prime Minister of India and the Premier of China by the Commerce and Industries Minister of India and the Commerce Minister of China.)
The Report of the Joint Study Group is the outcome of deliberations in the JSG over a period of one year, during which the JSG held four meetings alternately in China and India. The Report was finalised and signed by the two Co-Chairmen, Dr. Rakesh Mohan, Secretary (Economic Affairs) and Mr. An Min, Vice Minister, Ministry of Commerce, during the last meeting held in New Delhi from March 21-23, 2005.
The JSG Report consists of seven Chapters dealing with the Context of India-China Economic Cooperation, India-China Trade in Goods, India-China Trade in Services, Investments, India-China Economic Cooperation, India-China Regional Trading Arrangement and Recommendations for the Development of India-China Trade & Economic Cooperation.
The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The Ministerial-level India-China Joint Economic

Group (JEG) will consider these recommendations and coordinate their implementation. The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The JSG has recommended to the governments the appointment of a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

(4) Agreement on Mutual Administrative Assistance and Cooperation in Customs Matters between India and China

(Signatories: Shri Natwar Singh, External Affairs Minister, and Mr. Li Zhaoxing, Chinese Foreign Minister)

This agreement aims to further co-operation between the Customs Administrations of the two countries in matters related to the application and enforcement of the Customs Laws. The agreement enables provision of administrative assistance for the proper application of customs law and for the prevention, investigation and combating of Customs offences and lays down that either Customs Administration shall, in making enquiries on behalf of the other Customs Administration, act as if they were being made on its own account.

The agreement will allow the Customs Administrations to share information and intelligence relating to new Customs law enforcement techniques, new trends, means or methods of committing Customs offences and the movement of persons or goods known to have, or suspected of having contravened the Customs law of the other side. The agreement also provides for special surveillance over goods either in transport or in storage notified by the Requesting Administration as giving rise to suspected illicit traffic towards the customs territory of the Requesting Administration.

The agreement envisages exchange of customs officers or experts when mutually beneficial for advancing the understanding of each other's customs techniques. It also suggests the exchange of information relating to a number of areas including usage of interdiction and detection equipment, customs legislation and procedure, technical cooperation with third countries and simplification and harmonization of customs procedure.

(5) Memorandum of Understanding on Civil Aviation between India and China

(Signatories: Shri Ajay Prasad, Secretary, Ministry of Civil Aviation, and Mr. Yang Yuanyuan, Director, General Administration of Civil Aviation)

The MOU provides for major liberalisation of air links between India and China with multiple designation of carriers and an 'Open Skies' policy for cargo, an increase in capacity entitlements, more points of call and an increase in the number of intermediary and beyond points. According to the Memorandum, the designated airlines of both parties are entitled to have unlimited third, fourth and fifth freedom traffic rights with unlimited capacity entitlement for dedicated cargo services. The designated airlines of both parties may co-terminalize any two points in its own territory and/or any two points in the territory of the other party without any cabotage rights with the exception for airlines designated by India to combine Beijing and Shanghai, Beijing and Guangzhou, Shanghai and Guangzhou.

The designated airlines of each party have the following capacity entitlement for combination services:

14 weekly frequencies as of 2005 IATA summer season

28 weekly frequencies as of 2005 IATA winter season

42 weekly frequencies as of 2006 IATA summer season

The Memorandum also provides for simplification of the Visa procedures for operating and cabin crew, employment of foreign pilots by designated airlines of either party, use of dry leased aircraft for both combination services and cargo services. It lays down the guidelines for issues such as code-sharing arrangement, co-terminalization and the weekly frequency of flights.

(6) Protocol of Phytosanitary Requirements for the Export of Grape From India to

China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China

(Signatories: Smt. Radha Singh, Secretary, Ministry of Agriculture, and Mr. Li Changjiang, Director General Administration of Quality Supervision Inspection and Quarantine (AQSIQ) on the Chinese side)

The MOU aims to facilitate the export of grapes from India to China by putting in a place a regulatory mechanism on Sanitary and Phytosanitary standards and laying out in detail the procedural aspect, including certification and labeling requirements. The document specifies Dalian, Tianjin, Beijing, Shanghai, Qingdao, Nanjing as entry ports for grape from India to China.

(7) Protocol of Phytosanitary Requirements for Exporting Bitter Gourds from India to China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China

(Signatories: Smt. Radha Singh, Secretary, Ministry of Agriculture, and Mr. Li Changjiang, Director General Administration of Quality Supervision Inspection and Quarantine (AQSIQ) on the Chinese side)

The MOU aims to facilitate the export of bitter gourd from India to China by putting in a place a regulatory mechanism on Sanitary and Phytosanitary standards and laying out in detail the procedural aspect, including certification and labeling requirements.

(8) Memorandum of Understanding on Cooperation between the Indian Council of World Affairs, India and the Chinese People's Institute of Foreign Affairs, China

(Signatories: Shri Shyam Saran, Foreign Secretary and Mr. Wu Dawei, Vice Foreign Minister of China) (See Document No. 291).

The MOU intends to enhance mutual understanding and friendship by promoting the development of friendly institutional relations.

The MOU envisages, inter alia, mutual exchange of visits, participation in conferences, seminars and symposia, co-sponsoring of bilateral symposiums on issues of common interest, exchange of publications and other forms of cooperation agreed upon by both parties through consultations

(9) Memorandum of Understanding on the Launch of the India-China Financial Dialogue.

(Signatories: Dr. Rakesh Mohan, Secretary, Department of Economic Affairs and Mr. Wu Dawei, Vice Foreign Minister of China)

This MOU is aimed at promoting mutual understanding and practical cooperation between the two sides in the financial sector.

The Dialogue will enable the two sides to exchange views on domestic and international macro-economic situations, national fiscal and monetary policies, financial reforms and regional or global developments of mutual interest in the financial sector and facilitate the development of bilateral cooperation between their banking sectors, budget and taxation authorities, financial regulatory agencies and capital markets.

The Dialogue seeks to enhance commercial and economic exchanges between the two countries and increase mutually beneficial bilateral cooperation and coordination in the International Monetary Fund, the World Bank, the Asian Development Bank and other International financial and development institutions.

(10) Memorandum of Understanding between the Ministries of Water Resources of India and China upon Provision of Hydrological Information of the Sutlej / Langqen Zangbo River in Flood Season by China to India

(Signatories: Shri J. Hari Narayan, Secretary, Ministry of Water Resources and Mr. Wu Dawei, Vice Foreign Minister of China)

The MOU envisages provision of hydrological information in respect of the Sutlej / Langqen Zangbo River in flood season for flood control and disaster mitigation in downstream areas. The arrangement entails building of a hydrological station by the Chinese side on the Sutlej

- i. Agreement on Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question
- ii. Report of India-China Joint Study Group on Comprehensive Trade and Economic Cooperation

/ Langqen Zangbo River before the flood season of year 2006 and provision of hydrological information to the Indian side beginning the flood season of year 2006. The Chinese side will bear the cost for setting up of the hydrological station and the Indian side will bear the cost for provision of the hydrological information and the operation of the hydrological station. The detailed implementation plan for exact modalities will be further discussed and finalised between the two sides. According to the MOU, the Chinese side will provide information on any abnormal rise/fall in the water level/discharge and other information, which may lead to sudden floods on the basis of existing monitoring and data collection facilities on real time basis. Both sides will continue to discuss the possibility of providing hydrological information during flood season by China to India in respect of two more rivers – Parlung Zangbo and Lohit/Zayu Qu.

(11) Protocol on India-China Film Cooperation Commission

(Signatories: Shri Navin Chawla, Secretary, Ministry of Information and Broadcasting and Mr. Wu Dawei, Vice Foreign Minister of China)

The Protocol envisages the constitution of the India-China Film Cooperation Commission to strengthen cooperation and promote bilateral exchanges between India and China in the Entertainment Sector, with special focus on films, both feature and documentary and animation.

It will also consider issues such as increasing the import of each others original films, exchanging of information and technical know how in the sphere of filmmaking and allied sectors, providing location and studio facilities for shooting of films by one country in the other's territory and extending marketing and distribution facilities of each country's films in the other country.

The Commission has also been tasked with exploring avenues of bilateral co-operation in developing animation and facilitate their diffusion, conducting Film Weeks in the presence of the other party's delegation regularly and reciprocally in the two nations and organize movie professionals of the two nations to participate in international film markets, seminars and film festivals in India and China. The Protocol also envisages concrete implementation of the Sino-Indian co-production agreement. It lays out the composition of the India-China Film Commission and outlines its administrative and financial aspects.

(12) Memorandum on the Construction of an Indian Style Buddhist Temple on the Western Side of The White Horse Temple In Luoyang, China

(Signatories: Shri. Nalin Surie, Ambassador of India, Beijing and Mr. Wu Dawei, Vice Foreign Minister of China)

This Memorandum seeks to carry forward India-China Buddhist cultural links, with India and China jointly constructing an Indian style Buddhist temple in the International Garden of the Luoyang White Horse Temple. The Memorandum envisages that India would provide the Buddha Idol and other accompanying materials for the Temple. The Indian side will also be responsible for providing the main architectural design of the Temple project, its blue print, materials used for the Temple and the landscape planning. The Chinese side will provide 2,666.67 square meters of land for constructing the Temple. It will also be responsible for advising and offering suggestions for the construction of the Temple, obtaining the support and approval of Chinese Government, Henan Provincial Government and the local administration and to handle all relevant procedures and formalities. The Chinese side will also facilitate the visits of experts and architects of the Indian side to visit the project site to supervise and inspect the quality of the work.

- iii. Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas
- iv. Agreement on Mutual Administrative Assistance and Cooperation in Customs Matters
- v. MOU on the Launch of the India-China Financial Dialogue
- vi. MOU on Civil Aviation
- vii. Protocol of Phytosanitary Requirement for Exporting Grapes from India to China
- viii. Protocol of Phytosanitary Requirement for Exporting Bitter Gourds from India to China
- ix. MOU on Provision of Hydrological Information of the Sutlej /Langqen Zangbo River in Flood Season by China to India.
- x. Protocol on India-China Film Cooperation Commission
- xi. MOU on Cooperation between the Indian Council of World Affairs and the Chinese People's Institute of Foreign Affairs
- xii. Memorandum on the Construction of an Indian-style Buddhist Temple on the Western side of the White Horse Temple in Luoyang, China
- XXI. The two sides believed that Premier Wen Jiabao's highly successful State visit to the Republic of India marked a new level of India-China relationship and opened a new chapter in the friendly relations and cooperation between the two countries.

Premier Wen Jiabao, on behalf of the Chinese Government and people, expressed his appreciation to the Government and the people of India for their warm hospitality, and invited Prime Minister Manmohan Singh to visit China at a mutually convenient time. Prime Minister Manmohan Singh appreciated the invitation and accepted it with pleasure. The Indian side also reiterated the invitation to President Hu Jintao to visit India. The exact time of the visit will be decided through diplomatic channels.



289. Agreement between the Government of the Republic of India and the Government of the People's Republic of China on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question.

New Delhi, April 11, 2005.

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides),

Believing that it serves the fundamental interests of the peoples of India and China to foster a long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations, and equality,

Desirous of qualitatively upgrading the bilateral relationship at all levels and in all areas while addressing differences through peaceful means in a fair, reasonable and mutually acceptable manner,

Reiterating their commitment to abide by and implement the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas, signed on 7 September 1993, and the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas, signed on 29 November 1996,

Reaffirming the Declaration on Principles for Relations and Comprehensive Cooperation between India and China, signed on 23 June 2003,

Recalling that the two sides have appointed Special Representatives to explore the framework of settlement of the India-China boundary question and the two Special Representatives have been engaged in consultations in a friendly, cooperative and constructive atmosphere,

Noting that the two sides are seeking a political settlement of the boundary question in the context of their overall and long-term interests,

Convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective,

Have agreed on the following political parameters and guiding principles for a boundary settlement:

Article -1

The differences on the boundary question should not be allowed to affect the overall development of bilateral relations. The two sides will resolve the boundary question through peaceful and friendly consultations. Neither side shall use or threaten to use force against the other by any means. The final solution of the boundary question will significantly promote good neighbourly and friendly relations between India and China.

Article -2

The two sides should, in accordance with the Five Principles of Peaceful Coexistence, seek a fair, reasonable and mutually acceptable solution to the boundary question through consultations on an equal footing, proceeding from the political perspective of overall bilateral relations.

Article -3

Both sides should, in the spirit of mutual respect and mutual understanding, make meaningful and mutually acceptable adjustments to their respective positions on the boundary question, so as to arrive at a package settlement to the boundary question. The boundary settlement must be final, covering all sectors of the India-China boundary.

Article -4

The two sides will give due consideration to each other's strategic and reasonable interests, and the principle of mutual and equal security.

Article -5

The two sides will take into account, inter alia, historical evidence, national sentiments, practical difficulties and reasonable concerns and sensitivities of both sides, and the actual state of border areas.

Article -6

The boundary should be along well-defined and easily identifiable natural geographical features to be mutually agreed upon between the two sides.

Article -7

In reaching a boundary settlement, the two sides shall safeguard due interests of their settled populations in the border areas.

Article -8

Within the agreed framework of the final boundary settlement, the delineation of the boundary will be carried out utilising means such as modern cartographic and surveying practices and joint surveys.

Article -9

Pending an ultimate settlement of the boundary question, the two sides should strictly respect and observe the line of actual control and work together to maintain peace and tranquillity in the border areas. The India-China Joint Working Group and the India-China Diplomatic and Military Expert Group shall continue their work under the Agreements of 7 September 1993 and 29 November 1996, including the clarification of the line of actual control and the implementation of confidence building measures.

Article -10

The Special Representatives on the boundary question shall continue their consultations in an earnest manner with the objective of arriving at an agreed framework for a boundary settlement, which will provide the basis for the delineation and demarcation of the India-China boundary to be subsequently undertaken by civil and military officials and surveyors of the two sides.

Article -11

This Agreement shall come into force as of the date of signature and is subject to amendment and addition by mutual agreement in writing between the two sides.

Signed in duplicate in New Delhi on 11 April, 2005, in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of divergence, the English text shall prevail.

For the Government of the Republic of India

For the Government of the People's Republic of China



290. Protocol between the Government of the Republic of India and the Government of the People's Republic of China on Modalities for the Implementation of Confidence Building Measures in the Military Field Along the Line of Actual Control in the India-China Border Areas.

New Delhi, April 11, 2005.

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides),

Recalling that both sides are committed to developing their long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations, and equality,

Reaffirming that the two sides seek a fair, reasonable and mutually acceptable settlement of the boundary question,

Reaffirming their commitment that, pending an ultimate solution to the boundary question, both sides shall strictly respect and observe the Line of Actual Control in the India-China border areas,

Noting the utility of confidence building measures already in place along the Line of Actual Control in the India-China border areas,

Recognising that the maintenance of peace and tranquillity along the Line of Actual Control in the India-China border areas accords with the fundamental interests of the two sides, and will facilitate the process of early clarification and confirmation of the alignment of the Line of Actual Control,

Convinced of the need for agreed modalities for the implementation of confidence building measures between the two sides in the military field along the Line of Actual Control in the India-China border areas, and

Recalling further the relevant provisions of the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas signed in September 1993 and Agreement on Confidence Building Measures in the Military Field along the Line of

Actual Control in the India-China Border Areas signed between the two sides in November 1996,

Have agreed on the modalities as follows:

Article - 1

In accordance with Article II of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, the two sides should strictly respect and observe the Line of Actual Control and work together to maintain peace and tranquillity in the border areas¹.

Article - 2

In accordance with Article IV of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

(a) Both sides shall avoid holding large-scale military exercises involving

1. Increasing confidence in bilateral relations and thaw on the border led to increasing military level cooperation between the two countries. In May the Chinese Army Chief General Liang Guanglie visited India and went round Indian Defence establishments and witnessed a combined army-air force exercises. Indian Army Chief Gen. J. J. Singh on May 26 indicated that the Sino – Indian military ties were assuming strategic dimensions as the armed forces of the two countries were increasing cooperation. He said there was a possibility of holding joint training on the counter-terrorist operations and the greater cooperation in UN Peacekeeping missions. The Army chief said there was peace prevailing along the 4000-km long northern border between India and China. He brushed aside recent reports of Chinese intrusions into the Indian territory. He however said there were a few aberrations for which a mechanism had been institutionalized. Talking about the McMahon Line, General Singh said that the troops were “by and large” respecting the LAC by maintaining “correct behaviour”. He said the momentum given by the leaders to normalize relations has been embraced by the two militaries and other measures like military to military cooperation like joint adventure activities, exchange of visits by senior and medium level military officers and holding of more border meetings were also being enforced. When the Chinese Chief of Staff met the National Security Advisor M. K. Narayanan, who is also India's Special Representative on the Sino-Indian boundary issue, General Liang said that China was willing to solve the boundary issue with India on the basis of equality and consultation with mutual understanding and concessions. He also adding said that the PLA was also ready to build confidence measure with the Indian Army at the military areas along the Line of Actual Control and continue keeping peace and tranquillity along the border. The Indian Defence Minister Pranab Mukherjee told the Chinese general that friendly atmosphere built by the two sides was helpful to the solution of the border problem. He said Gen. Liang's visit was another important high-level contact between the two countries after the official visit of the Chinese Premier Wen Jiabao.

more than one Division (approximately 15,000 troops) in close proximity to the Line of Actual Control. However, if such exercises are to be conducted, the strategic direction of the main force involved shall not be towards the other side.

- (b) If either side conducts a military exercise involving more than one Brigade Group (approximately 5,000 troops) in close proximity to the Line of Actual Control, it shall not be targeted against the other side. The side undertaking the exercise shall give, through Flag Meetings, the other side prior intimation 15 days in advance of the exercise with regard to type, level, planned duration and area of exercise as well as the number and type of units or formations participating in the exercise.
- (c) Each side shall be entitled to obtain timely clarification within 15 days from the side undertaking the exercise in respect of data specified in paragraph (b) above of the present article, through Flag Meetings. (d) Each side shall give prior intimation of changes in the timing of any scheduled exercise 15 days in advance, through Flag Meetings.

Article - 3

In accordance with Article V of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

- (a) In the event of an alleged air intrusion of its controlled airspace by the military aircraft of the other side, either side may seek a Flag Meeting within 48 hours of the alleged air intrusion in order to seek a clarification. The investigation shall be completed by the other side and its results communicated through a Flag Meeting within a period of four weeks.
- (b) If a military aircraft of either side is required to fly across the Line of Actual Control or to over fly the airspace of the other side, prior permission shall be sought from the other side according to procedures and formats to be mutually agreed upon.
- (c) If a military or civilian aircraft of either side is required to fly across

the Line of Actual Control or to land on the other side of the Line of Actual Control in an emergency situation, the two sides will ensure flight safety in such situations by adhering to procedures to be mutually agreed upon.

Article - 4

In accordance with Article VI of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, if the border personnel of the two sides come to a face-to-face situation due to differences on the alignment of the Line of Actual Control or any other reason, they shall exercise self-restraint and take all necessary steps to avoid an escalation of the situation. To this end, they shall follow the procedures as given below:

- (a) Both sides shall cease their activities in the area, not advance any further, and simultaneously return to their bases.
- (b) Both sides shall then inform their respective Headquarters and, if necessary, enter into immediate consultations through border meetings or diplomatic channels so as to prevent an escalation of the situation.
- (c) Throughout the face-to-face situation, neither side shall use force or threaten to use force against the other.
- (d) Both sides shall treat each other with courtesy and refrain from any provocative actions. Neither side shall put up marks or signs on the spots.

Article - 5

In accordance with Article VII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in India-China Border Areas signed between the two sides in November 1996,

- (a) Both sides shall hold two additional border meetings each year at Spanggur Gap in the Western Sector, Nathu La Pass in the Sikkim Sector and Bum La in the Eastern Sector respectively in celebration of the National Day or Army Day of either side. Specific arrangements

shall be decided through consultation between the border forces of the two sides.

- (b) Both sides agree in principle to expand the mechanism of border meeting points to include Kibithu-Damai in the Eastern Sector and Lipulekh Pass/Qiang La in the Middle Sector. The precise locations of these border meeting points will be decided through mutual consultations.
- (c) Both sides shall conduct exchanges between the relevant Military Regions of China and Army Commands of India. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.
- (d) Both sides shall strengthen exchanges between institutions of training of the two armed forces, and conduct exchanges between institutions of sports and culture of the two armed forces. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.

Article - 6

In accordance with Article VIII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

- (a) In case the personnel of one side in the border areas cross over to the other side due to force majeure such as natural disasters:
 - i. The side having discovered it should promptly contact and notify the other side;
 - ii. The personnel crossing over to the other side should, in the light of the prevailing circumstances, take measures to return to their own side or proceed to places designated by the other side en route to return to their own side;
 - iii. The receiving side will provide all possible assistance to the

- personnel from the other side and ensure their earliest possible return; and
- iv. At the request of the side affected by the natural disaster, the other side may consider all possible measures to help alleviate the situation.
- (b) In order to prevent infectious diseases in specific areas on either side in the border areas from spreading to the other side:
- i. Both sides should share relevant information promptly through border meetings or diplomatic channels;
 - ii. Each side should take measures to prevent the spread of diseases from spilling onto the other side; and
 - iii. At the request of the side suffering from spread of infectious diseases, the other side may consider all possible measures to help alleviate the situation.

Article - 7

The Protocol shall enter into force on the date of signature of this Protocol and will automatically be rendered invalid if the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996 ceases to be in force. Subject to agreement after mutual consultations between the two sides, the Protocol may be amended and supplemented at any time.

Done in duplicate in New Delhi on April 11, 2005 in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of any divergence, the English text shall prevail.

For the Government
of the Republic of India

For the Government of the
People's Republic of China



291. Memorandum of Understanding on Cooperation between The Indian Council of World Affairs, The Republic of India and The Chinese People's Institute of Foreign Affairs, The People's Republic of China.

New Delhi, April 11, 2005.

The Indian Council of World Affairs (**ICWA**), New Delhi and **the** Chinese People's Institute of Foreign Affairs (**CPIFA**) Beijing, hereinafter referred to as "The Parties";

Intending to enhance mutual understanding and friendship between the peoples of the Republic of India and the People's Republic of China and to promote the development of friendly institutional relations;

Have reached the following understanding:

**Article 1
General Guideline**

The parties agree to develop exchanges and cooperation on the basis of mutual respect, equality and mutual benefit.

**Article 2
Contents of Cooperation**

Cooperation under this Memorandum may include:

1. Mutual exchange of delegations and persons for sharing of information and experience for participation in conferences, seminars and symposia;
2. Promotion for the exchange of visits on ad hoc basis;
3. Cosponsoring of bilateral symposiums on issues of common interest;
4. Exchange of publication;
5. Other forms of cooperation agreed upon by both parties through consultations.

Article 3
Expenses

On the basis of reciprocity, the sending party shall cover international travel expenses while the receiving party shall cover local transportation and hospitality.

Article 4
Others

Other issues not covered in this Memorandum shall be decided through mutual consultation between the Parties.

Article 5

The Memorandum shall come into effect from the date of its signature and will be subjected to modification by mutual agreement whenever necessary.

Signed in New Delhi on April 11, 2005 in two originals each in Hindi, Chinese and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

For the Indian Council of World
Affairs, Sapru House, New Delhi

For Chinese People's Institute
of Foreign Affairs, Beijing



292. Statement¹ by Prime Minister Dr. Manmohan Singh in the Lok Sabha on the visit of Chinese Premier Wen Jiabao.

New Delhi, April 20, 2005.

Premier Wen Jiabao of China paid a State visit to India from April 9-12, 2005. The visit was substantive in its outcome. Premier Wen has himself described it as 'historic'.

My meeting with the Chinese Premier on April 11 was most warm and productive. We signed a Joint Statement, which contains a vision of where India-China relations are headed and an action plan for cooperation in bilateral, regional and global domains. A copy of the Joint Statement is placed on the Table of the House.² Eleven other agreements were signed and the report of the India-China Joint Study Group on comprehensive trade and economic cooperation released. The range of agreements concluded reflects the rapid strides made in our relations with China in recent years. Premier Wen Jiabao and I agreed that India-China relations have entered a new phase of comprehensive development.

In the Joint Statement, we have agreed to establish a 'Strategic and Cooperative Partnership for Peace and Prosperity'. It codifies the consensus between us that India-China relations transcend bilateral issues and have now acquired a global and strategic character. The partnership also reflects our desire to proactively resolve outstanding differences, while not letting them come in the way of continued development of relations. This is not in the nature of a military pact or alliance but reflects a congruence of purpose apart from a common perception of world events.

A major outcome of the visit was the Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China boundary question. A copy of the Agreement is placed on the Table of the House.³ This understanding has been possible as a result of deliberations between the Special Representatives of India and China on the boundary

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1. There was a debate in the Lok Sabha on this statement and the Prime Minister replied to the debate. His reply speech is at Document No. 12.
 2. See Document No. 288.
 3. See Document Nos. 289 & 290.

question. The institution of Special Representatives was created during my distinguished predecessor's visit to China in June 2003. The Agreement is truly a major milestone on the way to the settlement of the boundary question. It provides for a 'political settlement' of the boundary question in the context of the 'overall and long term interests' of the two countries. Both sides have agreed that an early boundary settlement should be pursued as a 'strategic objective'⁴.

The Agreement sets out for the first time ever, principles for an overall settlement of the India-China boundary question. While this understanding is of great significance, we do acknowledge that we are still quite some distance away from a final boundary settlement. We have agreed that in the meantime, the two sides will strictly respect and observe the line of actual control (LAC), maintain peace and tranquility in the border areas and expedite the work of clarification and confirmation of the LAC. The Protocol on the Modalities for the implementation of Confidence Building Measures in the Military Field in the Border Areas, signed during the Chinese Premier's visit, will help in maintaining peace along the LAC.

During my meeting with Premier Wen, he stated that China regarded Sikkim as an 'inalienable part of India', and that Sikkim was no longer an issue in India-China relations. The Joint Statement signed by us explicitly refers to 'Sikkim State of the Republic of India'. The Chinese side has officially handed over to us a revised map showing Sikkim as within the international boundaries of India. The understandings reached during the visit will also give a major fillip to the economic dimension of the relationship, to which both sides are attaching a great deal of importance. Bilateral trade has been growing rapidly and crossed the US\$13 billion mark last year. A target of US \$20billion by 2008 is envisaged. During my meeting with Premier Wen, we agreed to establish an India-China Joint Economic Group, co-chaired by the two Commerce Ministers, to oversee facilitation and

4. A greater understanding between the two countries was reached on security matters when the Chinese Chief of General Staff, General Liang Guanglie visited India in May and had wide ranging discussions with the top brass of the Indian defence establishment. The proposals included increasing the number of flag meetings to prevent inadvertent border crossings into each other's territories. Measures to deal with air violations were also discussed along with the need to increase military-to-military exchanges along the McMohan line. According to media reports India invited China to take part as an observer in an Army armoured exercise in Rajasthan later in 2005. The Chinese had invited the Indian army personnel at a similar exercise in Tibet last year.

expansion of trade in goods and services, investment flows and other areas of economic cooperation. Premier Wen and I agreed to set up a Joint Task Force as well to examine the feasibility and benefits of Trading Arrangements.

The Chinese Premier and I also had a useful exchange of views on regional and multilateral issues. Among other things, we agreed on the importance of comprehensive reforms in the UN system. China conveyed that it attached great importance to the status of India in international affairs and understood and supported India's desire to play an active role in the UN and international affairs.

I believe the Chinese Premier's visit to India will give a significant boost to the all round development of India-China relations. Our policy towards China is characterized by continuity and consensus.



293. Statement by Minister of External Affairs K. Natwar Singh on arrival at Vladivostok for the Trilateral meeting between the Foreign Ministers of Russia, China and India.

Vladivostok, June 1, 2005.

I am delighted to be in this beautiful and historic city of Vladivostok, which is rapidly emerging as Russia's gateway to East Asia and the Pacific. During my stay, I look forward to personally assessing the immense potential of this resource-rich region of Russia. India is already present here as a partner in the energy sector, in the joint development of the Sakhalin oil and gas fields.

Russia, India and China would be holding the Fourth Trilateral Meeting of the Foreign Ministers on June 2, 2005. The three countries together represent some of the oldest civilizations in the world as well as large and economically dynamic countries. Together, we account for nearly 40% of the world's population and account for a considerable proportion of world's resources and agricultural and industrial production. Russia is one of the largest producers in the world of oil and gas. India and China are two

of the largest consumers of energy. The three countries have acknowledged achievement in science and technology including in frontier areas of information technology and biotechnology. There are, therefore, obvious potentialities for mutually beneficial cooperation among our countries, which would also contribute to the advancement of science and economic prosperity in today's increasingly globalised world.

India, Russia and China have similar viewpoints on several issues of regional and international concern and I look forward to a broad exchange of views with my esteemed colleagues on matters of mutual interest both in trilateral as well as bilateral meetings in the next couple of days.

I would like to convey my good wishes for the people of Vladivostok and to the people of the Russian federation¹.



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1. Besides attending the Trilateral meeting, EAM had separate meetings on bilateral basis with his Russian and Chinese counterparts. According to media reports during his meeting with the Russian Foreign Minister Sergei Lavrov, Mr. Singh offered to set aside about \$ 100 million for new areas of cooperation with Russia covering information technology, biotechnology and nano-technology. The proposal of the Russian company Rosmeft which has offered ONGC *Videsh* equity participation in an oil producing block was discussed. The Russian side agreed with the Indian EAM that a decision on the suggestion should be taken at the earliest. "Moscow was interested in the rupee debt fund and Russian company Systema has proposed to the Russian government to utilize nearly \$400 million worth of rupee funds for investment in the telecom sector," the Russian Foreign Minister Lavrov said. He said that the Russian Prime Minister Mikhail Fradkov may undertake a visit to India later this year so that the economic content of bilateral relations gets a "systematic boost". The Russian Minister also announced a packed programme for India – Russia exchanges for the current year. The programme included a visit by the Russian Prime Minister to India, EAM's visit to Russia, a meeting of the Inter-Governmental Commission for trade, economic, scientific-technological cooperation. It is to be crowned by an annual summit meeting towards the end of the year when Prime Minister Manmohan Singh would visit Russia. Mr. Natwar Singh described these visits "very valuable" and as follow up to last year's visit of President Putin to India and the visit of Dr. Singh and President Kalam to Moscow this year. EAM had also an hour long meeting with the Chinese Foreign Minister LI Zhaoxing, which was dominated by discussion on the reform of the UN. Mr. Natwar Singh stressed that the time had come to act and use the opportunity created by the broad support for UN reform.

294. Joint communiqué issued on the results of the informal trilateral meeting of the Foreign Ministers of India, Russia and China.

Vladivostok (Russia), June 2, 2005.

The fourth informal trilateral meeting between the Foreign Ministers of the Russian Federation, the Republic of India and the People's Republic of China was held in Vladivostok on June 2, 2005.

The Ministers confirmed that India, Russia and China shared a common approach to key global developments in the 21st century and favoured the democratization of international relations aimed at building a just world order based on the observance of international law, equity, mutual respect, cooperation and progress towards multipolarity. The Ministers further underlined that UN, as the most universal international organisation, should play the central role in realizing this goal. They agreed on the objective requirement for comprehensive reforms of UN, including of UNSC, so that the Organization becomes more reflective of contemporary global realities and more effective in discharging its functions.

The Ministers declared the intention of India, Russia and China to cooperate in trilateral format in combating new threats and challenges. They stressed that terrorism in all its forms and manifestations and irrespective of its origins and motivations posed one of the most serious threats to international peace and security. They agreed that it should be combated in a consistent, sustained and comprehensive manner without any double standards. They underscored the need for coordinated action between the law enforcement authorities of the three countries to act against illegal drug trafficking and other manifestations of trans-border crimes.

The Ministers discussed prospects for economic cooperation in the trilateral format. They acknowledged the considerable potential for mutually beneficial cooperation between Russia, India and China in such spheres as transport, agriculture, energy and high technologies. They agreed that relevant experts and officials from the three sides could meet to examine concrete possibilities in these and other sectors and make specific recommendations. Stressing the important role of direct business-to-business contacts, they supported the proposal of a trilateral business meeting hosted by India before the end of March 2006.

The Ministers recalled the considerable efforts made by the three countries in alleviating the suffering of the victims of the recent Tsunami. In this connection, they noted the need for coordination of trilateral efforts in their joint fight against natural disasters and their consequences in the Asia Pacific Region.

The Ministers expressed satisfaction at the dynamic development of bilateral relations between India and Russia, Russia and China, India and China. This opens up possibilities for India, Russia and China to raise their trilateral cooperation to a qualitatively new level.

The Ministers expressed shared confidence that their meeting in Vladivostok would provide a new impetus to the trilateral dialogue in all spheres of mutual interest. They confirmed that strengthening of partnership in the trilateral format met the long-term national interests of India, Russia and China. They were convinced that development of mutually beneficial cooperation between the three countries in practical terms would make considerable contribution to the strengthening of peace and stability not only in Asia but also globally¹.



1. This was the first stand-alone trilateral meeting of the three foreign ministers. Earlier three meetings were on the sidelines of various international forums. Of the earlier three meetings, two were held on the sidelines of the UN General Assembly in 2002 and 2003 and once in Almaty in 2004 on the sidelines of the conference for confidence building measures in Asia. It was also for the first time that a joint communiqué was issued setting out a common agenda. EAM Natwar Singh said that the meeting carried "very great importance," while Russia's Foreign Minister Sergei Lavrov stressed that "the interaction of Russia, India and China must become a key factor of international stability." The Chinese Foreign Minister Li Zhaoxing hailed the meeting's "joint contribution to the good cause of global peace and stability." Mr. Natwar Singh said that the recent destabilization in Kyrgyzstan and Uzbekistan was a "matter of great concern and worry" for India and that New Delhi was watching the situation "very closely". "There is no doubt that undesirable outside elements are trying to destabilize the situation in this part of Asia in the name of religion," said the Indian Foreign Minister. He said "it is essential for India and Russia that peace and stability return to the region so that development in those countries is not hampered."

295. Memorandum of Understanding for Cooperation between the Ministry of Home Affairs of the Republic of India and the Ministry of Public Security of the People's Republic of China.

Beijing, September 8, 2005.

The Ministry of Home Affairs of the Republic of India and **the** Ministry of Public Security of the People's Republic of China (hereinafter referred to as the "Parties"),

Guided by the desire to develop strategic cooperative partnership for peace and prosperity between the two countries,

Recalling the Declaration of Principles for relations and comprehensive cooperation between the Republic of India and the People's Republic of China signed on June 23, 2003 and the Joint Statement of the Republic of India and the People's Republic of China signed on April 11, 2005,

Reaffirming the desire to further strengthen and consolidate their discussions and cooperation in the framework of their bilateral dialogue mechanism on counter terrorism, organized crime, and other relevant areas,

On the basis of the Five Principles of Peaceful Co-existence jointly initiated by the two countries,

Have agreed as follows:

Article - 1

The Parties shall enhance cooperation in combating international terrorism. To this end, the Parties shall:

- (a) exchange experiences and information on terrorist activities, terrorist groups and their linkages;
- (b) Exchange experiences on anti-hijacking, hostage situations and other terrorism related crimes;
- (c) Coordinate positions on anti-terrorism endeavours at regional and multilateral levels.

Article - 2

The Parties shall cooperate, subject to their respective domestic laws, in the prevention and suppression of the following illegal and criminal activities:

- (a) Money laundering, other economic crime and crime against wild life;
- (b) Illegal production, distribution and trade in narcotic drugs and psychotropic substances including chemical precursors;
- (c) Illegal dealing and trafficking in firearms, ammunition, explosives and prohibited materials;
- (d) Forgery of passports, visas and other documents;
- (e) Cyber crime;
- (f) Other transnational crime.

Article - 3

Cooperation between the Parties in the areas above shall be accomplished by:

- (a) exchanging information in all areas indicated in Article I and II above.
- (b) taking coordinated measures in their respective territories against illegal and criminal activities indicated in Article I and II above.
- (c) Exchanging regulations, publications and results of scientific research in the areas of mutual interest;
- (d) Making joint efforts in scientific research, technical exchanges in all areas covered under Article I and II above.

Article - 4

The Parties shall promote coordination in regional and multilateral endeavours with reference to areas listed in Articles I and II and for this purpose carry out exchange of positions and views on related regional and multilateral issues.

Article - 5

The parties shall strengthen cooperation in the areas of training and capacity building and to this end:

- (a) Organize technical exchanges between their respective Ministries, agencies, and organizations;
- (b) Provide training slots, on a reciprocal basis, in their training institutions;
- (c) Encourage exchanges between police forces and experts to share experiences and training;
- (d) Facilitate exchange of regulations, publications and scientific research in areas of mutual interest;
- (e) Organize seminars on issues of mutual interest.

Article - 6

The Parties shall strengthen cooperation between Interpol National Central Bureau (NCB) India and Interpol National Central Bureau (NCB) China, in a mutually beneficial manner.

Article - 7

The Parties shall establish effective mechanism to facilitate the implementation of the Memorandum of Understanding and to this end:

- (a) Designate the Policy Planning Division of the Ministry of Home Affairs of the Republic of India and the International Cooperation Department of the Ministry of Public Security of the People's Republic of China to work out the details, timing and methods of implementation of this Memorandum of Understanding, which shall be submitted to their respective Ministers or corresponding officials for approval;
- (b) Send delegations to meet once every two years, alternately in the capital of each country, to exchange information on the implementation of this Memorandum of Understanding and discuss plans for future cooperation;
- (c) Hold meetings between experts, when considered necessary, by mutual agreement in advance;

- (d) Contact details of focal points on both sides may be exchanged for speedy interaction to facilitate the implementation of the Memorandum of Understanding.

Article - 8

Exchange of delegations and personnel shall be conducted on a self-financing basis except where the Parties agree otherwise. The host side shall facilitate appropriate meetings and visits.

Article - 9

The information and materials exchanged under this Memorandum of Understanding shall not be handed over to a third party without the prior consent of the originating Party.

Article - 10

Issues not covered by this Memorandum of Understanding may be decided through mutual consultation between the Parties.

Article - 11

This Memorandum of Understanding shall be valid for five years commencing from the date of signing. At the end of this period, it shall be automatically renewed for another five years. The Memorandum of Understanding may be terminated by either Party after giving a written notice, of its intention to do so, of not less than 90 days in advance. The Memorandum of Understanding is subject to modification by mutual agreement whenever necessary.

DONE at Beijing on the eighth day of September, 2005, in two originals each in Hindi, Chinese and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

For the Ministry of Home Affairs
of the Republic of India

For the Ministry of Public Security
of the People's Republic of China



296. Media briefing by Official Spokesperson on meeting between Prime Minister Dr. Manmohan Singh and Chinese President Hua Jintao on the sidelines of the UN General Assembly Session.

New York, September 14, 2005.

Official Spokesperson (Shri Navtej Sarna) : I thought I will give you a few points on meeting between Prime Minister and President Hu Jintao of China, which has just concluded.

The two leaders had an extensive discussion. They noted that this was the fourth meeting between the two leaders in the last one year, and that relations between the two countries had developed in a very positive direction in recent time. President Hu Jintao referred to what Prime Minister had said to him on one of the earlier occasions that India and China are not adversaries but partners, and said that this strategic and cooperative partnership between the two countries would benefit Asia as well as the entire world. Prime Minister endorsed this view.¹

Prime Minister said that India and China had launched this strategic and cooperative partnership when Premier Wen had come to India earlier this year. This promised prospects of prosperity and peace not only for the two countries themselves but also Asia and the world. President Hu said that it was in this spirit that China had supported India becoming an observer at the Shanghai Cooperation Organisation and also to attend the East Asia Summit.

Prime Minister then referred to the economic relations between the two countries and said that India-China trade relations were developing very rapidly, nevertheless there was large unutilized potential. As had been agreed during the visit of Premier Wen, the two countries should try to double the trade between the two countries over the next five years.

President Hu then went on to say that these relations were indeed developing very well. In the first half of this year itself, the trade between the two countries had reached a figure of 9.3 billion US dollars which marked an increase of 40 per cent over the same period last year. Going by this pace of development of the trade, he felt that it was possible to double

trade between the two countries in the next two to three years rather than five years. Therefore, we must aim higher.

The two leaders also agreed to launch the study on the setting up of regional trade arrangement between India and China. This was one of the things that had been agreed to during Premier Wen's visit. Also they agreed that the Joint Commission between India and China should be scheduled at an early date. Joint Commission is wider than just trade. President Hu also referred to the year of friendship which is 2006. The year is being celebrated as the year of friendship between the two countries. A series of celebrations are under way. He felt that these would also bring the two countries closer together.

The boundary question was also discussed. Prime Minister referred to the political parameters and guiding principles which have been agreed to during the visit of Premier Wen and looked forward to the meeting of the Special Representatives of the two countries later in China to carry forward the dialogue on this issue. He said that we have an opportunity to seek a pragmatic and reasonable solution to this problem based on these guiding principles and political parameters. President Hu agreed that the two countries should address this issue with greater urgency in consonance with these principles and should seek reasonable solution.

Prime Minister also thanked President Hu for China's participation in the ITER project, the fusion reactor project in Europe. Regional issues were also discussed. China briefed India on the six-party talks on DPRK nuclear issue. There was an exchange of views on Iran. The views concerning this issue between the two countries were very similar. That is more or less what I have on China.

Question : How long was the meeting?

Official Spokesperson : The meeting took place for about 45 minutes.



297. Press release on the meeting between External Affairs Minister K. Natwar Singh, Chinese Foreign Minister Li Zhaoxing and Russian Foreign Minister Sergei Lavrov.

New York, September 20, 2005.

External Affairs Minister, Natwar Singh, Chinese Foreign Minister Li Zhaoxing and Russian Foreign Minister, Sergei Lavrov, met together this morning at the Chinese Permanent Mission in New York for their annual trilateral meeting during the UNGA session.

The Foreign Ministers recalled their successful stand alone meeting at Vladivostok in June 2005 and agreed to have the next meeting in New Delhi in 2006 at a mutually convenient date. They endorsed the proposal, made by India, to convene a trilateral Business Conference, which could coincide, if possible, with the meeting of the Foreign Ministers.

External Affairs Minister congratulated the Chinese and Russian Foreign Ministers, on the successful outcome of the 6-Party Talks on the DPRK nuclear issue and applauded the role they had played in this regard.

The Chinese Foreign Minister welcomed India's participation in the Shanghai Cooperation Organisation and said that this provided yet another forum for the 3 countries to strengthen their trilateral cooperation in various fields. The 3 Foreign Ministers agreed that challenges of terrorism and drug trafficking, which have been on the agenda of the trilateral meetings, should also be pursued under the aegis of the Shanghai Cooperation Organisation.

The External Affairs Minister identified energy cooperation as a significant area of cooperation among the 3 countries. The Chinese and Russian Foreign Ministers welcomed the initiative taken by India to convene a Round Table Conference of North and Central Asian Oil Supplies and Principal Buyers in New Delhi on 25th November, 2005 and confirmed that their Ministers in charge of Oil and Natural Gas would participate. They agreed that such a forum would provide an opportunity to explore cooperation in a vital sector both on a trilateral basis as well as in the larger region of Central and North Asia.

The Foreign Ministers reviewed progress on UN reform, including Security Council reform. They welcomed the Outcome Document, but agreed

that considerable follow up work was required in implementing the different aspects of reform incorporated in the Document. They agreed to work together closely in this regard.

The Ministers reviewed the latest developments on the Iranian nuclear issue. They expressed their preference for a consensus approach and have agreed that their delegations at the IAEA in Vienna should remain in close touch and work together.

The External Affairs Minister and the Russian Foreign Minister thanked their Chinese counterpart for hosting the trilateral meeting and extending warm and friendly hospitality to the participating delegations.

The meeting proceeded in a cordial and friendly atmosphere.



298. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and the Chinese Premier Wen Jiabao on the sidelines of the meeting of the Shanghai Cooperation Organization in Moscow.

New Delhi, October 27, 2005.

External Affairs Minister met Chinese Premier Wen Jiabao last evening. It was a very cordial and friendly meeting in which they recalled the progress achieved during Premier Wen's landmark visit (to India) in April this year, and appreciated the momentum that has been maintained in our bilateral relations since then.

Premier Wen emphasized the importance of the long-term significance of strategic cooperation that has been established between India and China and said that we should persevere with the vision that has been set out by the leadership of the two countries. The two sides also reviewed the progress achieved in the talks recently between the Special Representatives on the boundary issue. The Chinese premier said that it was important that the two countries continue their strategic dialogue as

well as the talks on the boundary issue and nothing should be allowed to come in the way of friendly relations between the two countries which have a significance far greater than that of bilateral relations.

The Chinese Premier recalled that when he was leaving Delhi our Prime Minister had said that the two countries on that day had begun to make history. External Affairs Minister responded by reminding the Chinese Premier that when the two leaders shook hands at the start of their meeting the Chinese Premier had then remarked that this was a handshake that was being watched closely round the world.

Question: India wants to become a member of the SCO, China is opposed to the move. Was there any progress on it?

Answer: India has just been admitted as an Observer of the SCO and we are attending on that basis.

Question: Did Mr. Natwar Singh raise with the Chinese Premier their offer to help against the Maoists?

Answer: I do not know about this offer that you are...I have only seen news reports on that. So, I have no idea when this offer was made, what (offer) has been made. From the read out that I have this matter has not been discussed.



299. Press release of the Embassy of India in Beijing on the Sixth Round of talks between the Special Representatives of India and China.

Beijing, September 28, 2005.

The Sixth Round of talks between the Special Representatives of India and China, Mr. M.K. Narayanan, National Security Adviser and Mr. Dai Bingguo, Vice Foreign Minister respectively, on the India-China Boundary Question was held in Beijing from September 26 to September 28, 2005. This marked the beginning of the second phase of negotiations under the mechanism of Special Representatives. During this phase, the Special Representatives are mandated to work out an agreed frame work for a boundary settlement on the basis of the "Agreement on Political Parameters and Guiding Principles for Settlement of India-China Boundary Question", which was signed during the visit of the Chinese Premier Wen Jiabao to India on April 11, 2005.

The two Special Representatives held their talks in a friendly, cooperative and constructive atmosphere.

The National Security Adviser and the Special Representative of India called on Mr. Jia Qinglin¹, Chairman of the Chinese People's Political Consultative Conference and Member of Standing Committee of Politburo of the Communist Party of China and Mr. Li Zhaoxing², Foreign Minister of China on September 27, 2005.

Earlier, the National Security Adviser visited Shanghai on September 24-25, 2005. In Shanghai, he met with Mayor Han Zheng and held

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1. According to the Chinese official news agency Jia Qinglin expressed the hope that the Special Representatives would "proceed from the overall interests of China-India ties (and) continue to make progress in reaching a framework for the settlement of the boundary question." Qinglin told the Indian Representative: "China sincerely hopes the boundary question will be settled in a fair and reasonable way at an early date, so that the border areas would become a bridge of eternal peace and friendly cooperation between the two countries." He advised them "to proceed from the long-term and strategic perspective."
 2. The Chinese foreign ministry in a comment on the meeting said the talks were held in a friendly, constructive and cooperative atmosphere. The Spokesman of the Chinese Foreign Ministry in a briefing said that India and China "agreed to proceed from the political perspective of overall bilateral relations" for evolving a framework to solve the boundary issue in a "fair and reasonable manner."

consultations with Vice Foreign Minister Dai Bingguo on September 25, 2005.

Both sides agreed to hold the next round of talks between the Special Representatives in New Delhi at a mutually convenient time, which will be decided later through the diplomatic channel.



300. Question in the Rajya Sabha: “Framework to Resolve India – China Border Dispute”.

New Delhi, December 1, 2005.

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

- (a) whether India and China have agreed to proceed towards a framework for resolving vexed border dispute in a fair and reasonable manner keeping in view political perspective of overall bilateral relations;
- (b) whether during the month of September, talks on two sides reviewed in a satisfactory manner, progress made in Special Representatives' meeting and agreed to proceed from political perspective of overall bilateral relations;
- (c) if so, at what stage border dispute is at present and by what time clear picture of settlement is being reached; and
- (d) whether both Governments are confident to settle this issue immediately for improvement of relations between the two countries?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed):

(a)-(d) A statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) Yes, Sir.

(c) Based on the first five rounds of talks between the Special Representatives of India and China on the boundary question, both sides signed the 'Agreement on Political Parameters and Guiding Principles for

Settlement of India-China Boundary Question' on April 11, 2005 during the visit of the Chinese Premier Wen Jiabao to India. The sixth round of talks between the Special Representatives was held in Beijing from September 26 to September 28, 2005, which marked the beginning of the second phase of negotiations. In the second phase of negotiations, the two Special Representatives are mandated to work out an agreed framework for a boundary settlement on the basis of the aforementioned Agreement. Such an agreed framework will provide the basis for the delineation and demarcation of the India-China boundary to be subsequently undertaken by civil and military officials and surveyors of the two sides. No timeframe has been fixed for the final settlement of the boundary question.

(d) Both India and China have expressed the conviction that an early settlement of the boundary question will advance the basic interests of the two countries and should, therefore, be pursued as a strategic objective.

Shri Gireesh Kumar Sanghi : Sir, my supplementary is, what are the major differences between India and China as far as border disputes are concerned? When are they going to meet next and what is the probable agenda during that meeting? Sir, I will put my second supplementary also.

Mr. Chairman : Only one supplementary.

Shri Gireesh Kumar Sanghi : Sir, China has emerged as a large manufacturing base and recently the Chinese Ambassador has also said that India as the world's office in software development and China as the world's factory can go forward. Apart from being the world's office, India has also emerged as the world's leading market.

Mr. Chairman : What is your question?

Shri Gireesh Kumar Sanghi : Sir, I am coming to the question. With the advantage of being the world's leading market I would like to know whether our negotiating skills have improved in this dispute.

Shri E. Ahamed : Sir, the question is with regard to the framework and the hon. Member's question does not come under the purview of the main question. Hon. Member has asked about the dispute between the two countries. As it is known, it is a border dispute for which negotiations are going on. A special representation will be meeting. Six times they have

already had the discussions and the seventh round of discussions will be there in New Delhi, and it will be decided very soon.

Dr. T. Subbarami Reddy : Sir, we are extremely happy that India and China have agreed to seek a reasonable solution to the boundary question with greater urgency. In the month of September in the US in New York, this agreement was reached at the meeting on Wednesday between our hon. Prime Minister and the Chinese President. So, it was a great achievement for our Government. In this connection, I would like to know the economic ties also. They have agreed that it is going to be double trade between the two countries in the next two to three years. So, I would like to know what is the strategy they are going to adopt to achieve these in two to three years. Also I would like to know, Sir, after the sixth round of border talks between Mr. M. K. Narayanan and his counterpart in China, how are they going to achieve this as early as possible?

Shri E. Ahamed : There are two questions which our hon. Member has put. One is about the economic relations. Sir, now, both the countries are having very good trade relationship. It has gone up to \$ 13.5 billion in trade relationship we have had with China. So far as the boundary talk is concerned, Sir, there are three steps. The first step is India and China have agreed to have the guiding principles of political parameters on which the hon. Prime Minister, as well as, the Chinese Prime Minister have agreed to. The second is, on the basis of these political parameters and guiding principle, the two special representatives have initiated the discussion to reach the consensus on the agreed framework of the boundary settlement that would involve the specific adjustment to be made by both countries; and as the hon. Member has pointed out the sixth one has already been over. Now, the next one will definitely be held, on a mutually convenient date, at New Delhi and this will lead to the third stage and the final stage i.e. civil and military officials and the surveyors will undertake the de-lineation and demarcation of boundary on the basis of the agreed frame. This is the position.

Shri Shahid Siddiqui: *Hon. Chairman, Sir, Pakistan had surrendered a part of the occupied area of Kashmir, Do the current negotiations also cover the area surrendered by Pakistan to China? Please tell us if that is so and what stage the negotiations are and what can be done and what is being done?*

Shri E. Ahamed: Sir, the entire gamut of discussion is on the disputed area. It is quite premature on my part to say anything at this point of time.

Shri Shahid Siddiqui: Sir, IS it being discussed? Has this issue been raised? This you can tell. *...(interruptions)...* Is this issue under discussion or not? You can at least tell that.

Hon. Chairman: Please sit down. Next... *...(interruptions)...*

Shri Shahid Siddiqui: Sir, I am not satisfied with the reply. The Hon. Minister can at least tell whether this is under discussion or not? Is this issue on the agenda or not? At least he can tell this. Sir, has not replied at all.

Dr. Manmohan Singh: Sir, the situation is such that it will be difficult for me to actually give a categorical answer to precise points that have been discussed. The two Special Representatives, appointed by the Prime Minister of India and the Prime Minister of China, are going through various stages. The first stage was the laying down of the broad principles which should guide the delineation of the border. That phase has been completed. When the Chinese Prime Minister was here, we signed a Broad Framework Agreement. Now, the next step for the Special Representatives is to work out an agreed framework for actual delineation or demarcation of the boundary. When that stage is reached, all elements, where there is a difference of opinion, where there is a dispute, they will all be tackled.

[Text in italics is unofficial translation from Hindi text]



INDONESIA

301. Meeting of the External Affairs Minister K. Natwar Singh with the President of Indonesia Susilo Bambang Yudhoyono on the sidelines of the Tsunami Conference in Indonesia.

Jakarta, January 7, 2005.

India proposed extending “concessional line of credit” to Indonesia for the “reconstruction of roads, buildings and harbours” in Aceh province, which was ravaged by the tsunami. Should Indonesia accept this offer, New Delhi’s assistance to Indonesia will go beyond the emergency help now being rendered by the two naval ships of the Indian navy sent to that country as emergency assistance. (Indonesia registered the highest toll of nearly 100, 000 in the natural disaster and the number of internally displaced person has been placed at 6,00, 000; while over 50 % of the capital of Aceh province was badly affected, 80 % of Meulaboh town was destroyed. A hospital ship of the Indian navy is engaged in the relief operations in the town). Appreciating the Indian initiatives, Mr. Susilo told Mr. Natwar Singh: “Your ships have helped us a lot and eased our burden.” The President, who came in for considerable praise from the international community for having organised an urgent multilateral conference on the tsunami challenge as a “result oriented event”, indicated to Mr. Singh that it might take Indonesia three to five years to recover fully from the disaster.

The other subjects that came up for specific mention during the talks included the possibility of cooperation in the energy sector. Mr. Susilo indicated that he was looking forward to visit India. Those present at the talks included the Secretary (East) in the Ministry of External Affairs Rajiv Sikri, and India’s Ambassador to Indonesia H. K. Singh besides, the President’s top aides.



302. Press release on the first meeting of India-Indonesia Joint Working Group on Counter-Terrorism.

New Delhi, February 25, 2005.

The first meeting of the India-Indonesia Joint Working Group on Counter-Terrorism was held in New Delhi on February 25, 2005 back to back with the 2nd meeting of the India-Indonesia Joint Commission.

This meeting was held within the framework of the Memorandum of Understanding on Combating International Terrorism signed between India and Indonesia on July 2, 2004. The MoU provides for cooperation in preventing and combating international terrorism and other related transnational organised criminal activities.

The Indian delegation was led by Ms. Meera Shankar, Additional Secretary, Ministry of External Affairs and the Indonesian delegation was led by Ambassador Rhousdy Surjaatmadja of the Department of Foreign Affairs of the Republic of Indonesia. The two delegations comprised of representatives of the Ministry of External Affairs as well as other relevant Ministries and agencies.

The delegations exchanged views on the security situation in their region. Both sides reaffirmed their unequivocal condemnation of all acts of terrorism. They agreed to strengthen bilateral cooperation in combating terrorism including through exchange of information and intelligence, capacity building and mutual legal cooperation. Discussions were also held on the issue of maritime security in the region and both sides agreed to further strengthen their bilateral cooperation in this sphere¹.



1. The importance of India to Southeast Asia was articulated earlier by the Indonesian President Susilo Bambang Yudhoyono when delivering the Singapore Lecture at the South East Asian Institute in Singapore on February 16, he said "If we could expand also our relations, cooperation with India to the west (of South-East Asia) and also bring in Australia and New Zealand to be part of our greater cooperation, I believe it will help." "Many things can be done collectively" by ASEAN plus Three, which includes India."

303. Press release of the Ministry of External Affairs on the 2nd meeting of the India-Indonesia Joint Commission.

New Delhi, March 1, 2005.

The 2nd Meeting of the Joint Commission between the Republic of India and the Republic of Indonesia was held in New Delhi on March 1, 2005. The Indian delegation was led by Shri K Natwar Singh, Hon'ble Minister for External Affairs of the Republic of India and the Indonesian delegation was led by H.E. Dr. N. Hassan Wirajuda, Minister for Foreign Affairs of the Republic of Indonesia. The Indonesian delegation also included H.E. Ms. Siti Fadila Supari, the Minister of Health of the Republic of Indonesia.

During his visit to New Delhi, the Indonesian Foreign Minister Dr. Wirajuda also called on the Hon'ble Prime Minister¹ on the evening of March 1, 2005.

The meeting of the Joint Commission was held in a warm and friendly atmosphere and the leaders of the two delegations stressed the longstanding friendly relations between the two countries. They expressed the hope that the Joint Commission Meeting would lead to further enhancement of multi-sectoral bilateral cooperation for the mutual benefit of the two countries.

The Joint Commission Meeting was preceded by meetings of two Working Groups covering bilateral cooperation in trade, banking, investment, tourism, culture, agriculture, transportation, energy, mining, technical cooperation, science and technology, defence and security, immigration and consular matters, health and pharmaceuticals, women's empowerment, education and legal cooperation.

Two Special Working Groups also met during the course of the SOM/JCM Meetings and reported to the JCM.

1. The Indonesian Foreign Minister when he met the Prime Minister thanked him for India's immediate assistance during the tsunami crisis and briefed him on the rehabilitation efforts. They also reviewed the entire gamut of India-Indonesia bilateral relations. At the joint commission meeting the Indonesian side expressed happiness over the increase in the number of ITEC/Colombo Plan/GCSS scholarships to 125. Indonesian side sought cooperation and collaboration with the Indian side in IT, biotechnology, space and remote sensing. Both sides decided to work towards enhancing cooperation in the CNG sector, with Delhi's experience being replicated in Jakarta. A vocational training centre set up by India is ready to be commissioned in Jakarta. It was the first meeting of the Joint Working Group on counter-terrorism.

The Expert Working Group on the enhancement of bilateral trade, economic, investment and tourism relations, comprising of representatives from business, academia and Government, met on 24th February 2005.

The Joint Working Group on Counter-Terrorism constituted under the MoU on Cooperation to combat international terrorism signed between the two countries in July 2004 held its first meeting on 25th February 2005.

The delegations exchanged views on the security situation in their region. Both sides reaffirmed their unequivocal condemnation of all acts of terrorism. They agreed to strengthen bilateral cooperation in combating terrorism including through exchange of information and intelligence, capacity building and mutual legal cooperation. Discussions were also held on the issue of maritime security in the region and both sides agreed to further strengthen their bilateral cooperation in this sphere.

The Indonesian Health Minister, Ms. Siti Fadila Supari called on the Health Minister and discussed ways to enhance cooperation in health and pharmaceutical sector. She also visited a drug manufacturing unit and health care institution in New Delhi.



304. Press release of the Ministry of External Affairs announcing assistance of \$ 2 million for victims of earthquake in Nias Island off Sumatra.

New Delhi, March 29, 2005.

Prime Minister Dr. Manmohan Singh sent a message of sympathy and condolences to the President of the Republic of Indonesia H.E. Mr. Susilo Bambang Yudhoyono at the loss of life and damage to home and property caused by the earthquake that struck the Nias island off Sumatra on the night of March 28, 2005. In his message, Prime Minister conveyed the deepest sympathy of the Government and people of India to the Indonesian President at the national tragedy. He offered assistance and support that may be required by the Government of Indonesia in the aftermath of the national calamity. Government of India have announced

assistance amounting to US \$ 2 million for emergency relief supplies¹ to the victims of the earthquake in Nias island off Sumatra.



305. Interview of Prime Minister Dr. Manmohan Singh with the *Jakarta Post*.

Jakarta, April 25, 2005.

[Prime Minister Manmohan Singh came on the second and last days of the Asian-African Summit. His absence on the first day was most noticeable not only because India has championed the cause of the Third World, but also due to recent developments in India. Now one of Asia's economic giants, India recently signed agreements with long-time foes China and Pakistan, which will significantly alter the geopolitics of Asia and the world. The prime minister met with The Jakarta Post's Sabam Siagian and Endy M. Bayuni to talk about the summit and India's role in Asia and in the world. Following are excerpts from the interview and from earlier written questions and answers:]

What is the significance of your presence here?

For me personally this is a sentimental journey. It reminds me of the glorious chapter in India's foreign policy. Jawaharlal Nehru, President Sukarno, Chou En Lai, Mohammad Nasser and Ho Chi Minh worked hard to get rid of colonialism, to dismantle the structure that imperialism had created and give a sense of unity and purpose to the countries of the Third World.

1. On May 4 Lok Sabha was informed of the details of the relief supplies delivered to Indonesia:

Sl.No	ITEMS	Quantity
1.	Amul Spray	16 MT
2.	Biscuits	11.5 MT
3.	Sugar	02 MT
4.	Edible Oil	02 MT
5.	Lux Soap	02 MT
6.	Coffee	04 MT
7.	Medicine	6.5 MT
	Total (Approx)	44 MT

What do you hope to see achieved at this summit?

Today, a different struggle continues for the people of Asia and Africa. It is our expectation that the summit will lead to the establishment of a new partnership between the continents of Asia and Africa, which would enable us to collectively address the challenges of poverty eradication, development and growth. Political freedom has to be complemented by economic development if we are to eliminate hunger, disease and illiteracy. Collective action can help us address these common problems.

How does India plan to follow up the results of this meeting?

India intends to stay engaged by sharing experiences — gained from our own development process — with nations in Asia and Africa. Human resource development holds the key to employment and wealth creation, particularly in this age of globalization. This has been our strategy and we have laid particular emphasis on training and skills development as we globalize. We have extended technical assistance valued at about US\$1 billion. We stand ready to do more. We are also ready to extend lines of credit to our friends in the two continents.

With the emergence of China and India, we see a different Asia from the one we saw in 1955. How do you view this?

We need to look at the whole thing from a different perspective. Globalization is a reality. Developments in science and technology have created opportunities that were unthinkable, even two decades ago. We have to put into place the instrumentalities, to take advantage of the forces unleashed by developments in science and technology. There is no single path that will serve the interests of all countries, but we have to develop compatibilities. We have to ensure that the globalization processes are harmonized with the domestic requirements of strengthening the inner cohesion of our societies. So efficiency is important to get going in this world but the quest for social equity, the quest for social justice, is equally important if plural societies are to be kept together.

During your recent meeting with Chinese Prime Minister Wen Jiabao, did you agree on the instrumentalities, so that the China-India war of 1962 will not be repeated?

I am pretty sure that chapter is over. We have together agreed on

political parameters and guiding principles for the final resolution of the boundary dispute. We have also agreed that, pending that final settlement, nothing should be done that will affect the peace and tranquility in the line of control. We have also agreed that our two countries will move forward to determine the actual line of control, and that we should not allow these differences to come in the way of positive interaction in economy, culture, science and technology. We have declared that we are strategic partners in peace and prosperity. India and China relations are evolving in the right direction, which will strengthen peace, progress and prosperity — not only in Asia, but in the world as a whole.

Are you not worried that China is at the same time building access ports in Pakistan and Myanmar?

We are now taking another look at our relations with Pakistan. When President (Pervez) Musharraf was in New Delhi, we determined jointly that we would make sincere efforts to resolve all our outstanding issues bilaterally. We will carry forward the process of reconciliation with Pakistan. My effort is to ensure that India's relations with all its neighbors are excellent ... so that we can devote all our resources and all our energy to fighting mass poverty and disease, which still afflict millions and millions of people in our country.

When Asia's two economic giants join forces, should the rest of Asia be worried?

Our emergence as a growth pole will be a positive help to other countries. I believe India and China, which are growing at a fast pace, will create demands and markets for a large number of other Asian countries. Our development will bring up the level of development in other Asian countries. Our Look East policy is now firmly embedded — that this is the path that is essential to pursue to realize our development goals. We want to work with countries of ASEAN (Association of Southeast Asian Nations), particularly Indonesia as the largest economy in ASEAN. We have very close relations and we want to expand these relations in every possible way.

Indian culture is an inseparable part of Indonesian customs. But India's influence stops there. There has been a dearth of contacts

in other significant areas, particularly politics and economics. What are the reasons or impediments for this?

It's quite natural that our cultures and values are closely related, bearing in mind the history of the civilizational contacts between India and Indonesia, which span over 2000 years. From that perspective, variations in intensity of relations over short spells are not very significant. What is important is that today we are Asia's largest pluralistic democracies. The focus of governance in democracies is to meet popular aspirations and to ensure that economic growth is accompanied by equity and social justice. Both our countries are engaged in meeting this challenge. In fact, there has been considerable expansion of our trade, economic and investment relations over the past few years.



306. Speech of President Dr. A. P. J. Abdul Kalam at a banquet in honour of Indonesian President Susilo Bambang Yudhoyono.

New Delhi, November 23, 2005.

Your Excellency Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia, Madam Ani Bambang Yudhoyono, Excellencies, Ladies and Gentlemen,

On behalf of the Government and people of India, it gives me great pleasure to extend a very warm welcome to you, Mr. President, to Madam Yudhoyono and to all members of the distinguished delegation accompanying you on your State Visit to India. You represent one of the greatest civilizations in South-East Asia, one with which the people of India have interacted for more than two millennia.

Mr. President, the vision of a free world where our two countries would interact as equals was forged in the early years of the 20th century by Indian and Indonesian leaders, for whom the struggle for independence of their own countries was but a part of a larger struggle of all oppressed peoples and nations to gain control over their destinies. Mahatma Gandhi,

Jawaharlal Nehru, Soekarno and Hatta all played a pivotal role in carrying this vision forward.

Convening a Conference on Indonesia in New Delhi in 1949, Jawaharlal Nehru said: "We meet today because the freedom of a sister country of ours has been imperiled... the consequences will affect not merely Indonesia but Asia and the entire world." Visiting India for its first Republic Day Celebrations in 1950, Dr. Soekarno had said: "The whole world realises the deep significance of the independence of India but I think there is no country which realises its significance more than Indonesia does."

It was in this spirit of mutual solidarity that Soekarno and Nehru convened the Bandung Conference in 1955. Freedom became the essence of the life and philosophy of our two nations and together, we wrote the concluding chapter of colonialism and crafted the principles of non-alignment.

Today, India and Indonesia stand proudly together as the largest pluralistic democracies of Asia with a mutual stake in each other's progress, prosperity, security and territorial integrity. They stand out as shining examples of the successful democratic organisation of societies that are both diverse and developing. India and Indonesia are both home to societies, which are multi-religious and multi-cultural. Together, we serve to remind the world that religious and cultural heritage is a product of the sustained and harmonious intermingling of various traditions and beliefs. Its nature is composite and all embracing, not narrow or exclusivist.

Mr. President, I wish to congratulate the Government, the people and the sagacious leadership of Indonesia for the immense strides that have been made in recent years to build democratic institutions and place the economy firmly back on the road to recovery and growth. Your Government has also been successfully addressing domestic political and economic challenges with courage and decisiveness. I would like to felicitate Your Excellency for the vision and foresight with which you are guiding the affairs of your nation.

The decision which we have reached to forge a New Strategic Partnership between our two countries in the modern era is as welcome as it is timely. The destinies of our two nations have been bound together and our partnership has already stood the test of time. We must now synergise our strengths and complementarities to impart a new dynamism to this

partnership. We could cooperate by setting up joint ventures in our areas of core-competence for the design, development and marketing of such products worldwide.

Mr. President, your visit has opened a new chapter in our bilateral relations. The two MoUs on training cooperation and cooperation in the field of marine fisheries which have been concluded during your visit are a manifestation of our mutual desire to come closer. India and Indonesia have been partners in history. If our past is any pointer, our future is full of promise. In this regard, the decision to set up a Joint Study Group to examine the feasibility of a Comprehensive Economic Cooperation Agreement is very welcome. In fact, I would suggest that we should set a target of increasing our bilateral trade to a figure of US \$ 10 Billion by 2010. I am also confident that the New Strategic Partnership, which we have now launched, will become an anchor for the shared prosperity and stability of our region and of Asia as a whole.

Distinguished guests, may I now request you to join me in raising a toast to the: -- health, happiness and success of His Excellency President Yudhoyono and Madam Ani Bambang Yudhoyono; - progress and prosperity of the fraternal and peace-loving people of Indonesia; and- close and abiding friendship and cooperation between India and Indonesia.



307. Joint declaration issued at the end of the visit of the Indonesian President Dr. Susilo Bambang Yudhoyono.

New Delhi, November 23, 2005.

1. The President of the Republic of Indonesia, H.E. Dr. Susilo Bambang Yudhoyono, paid a State Visit to India from 21-23 November 2005 at the invitation of the Prime Minister of the Republic of India, H.E. Dr. Manmohan Singh.
2. H.E. President Susilo Bambang Yudhoyono was accorded a ceremonial reception at the Rashtrapati Bhawan on 23 November 2005. His engagements included a call on the President of the Republic of India, H.E. Dr. A.P.J. Abdul Kalam, who hosted a State Banquet in honour of the

visiting Indonesian leader. Prime Minister Dr. Manmohan Singh and President Susilo Bambang Yudhoyono held detailed discussions. The Indian Ministers of Defense and Commerce and Industry and the Leader of the Opposition also paid a call on him.

3. President Yudhoyono addressed a Business Summit, jointly hosted by the Apex Chambers of Indian Commerce and Industry (CII, FICCI and ASSOCHAM), on 23 November 2005. A sizeable Indonesian business delegation accompanying the President attended the Summit. The programme for the Indonesian President's State Visit also included short trips on November 21 to 22 to Bangalore where he observed defence, space and Information Technology establishments, and to Agra where he visited cultural and historical sites.

New Strategic Partnership

4. Prime Minister Singh and President Yudhoyono recalled the historic ties between India and Indonesia and the civilizational interaction between the two countries for more than two millennia, which have enriched both societies. They affirmed that the socio-cultural traditions have made relations between India and Indonesia unique and vigorous.

5. The two leaders recalled that soon after their emergence as independent nations, India and Indonesia worked together to spread the message of freedom among all oppressed peoples of the world as co-sponsors of the Bandung Conference of 1955. Together, they served as pillars of the Non-Aligned Movement, which helped bring about the demise of colonialism. On the basis of their similar world views, they built an enduring friendship and mutually beneficial cooperation.

6. They affirmed that today, India and Indonesia stand proudly together as the largest pluralistic democracies of Asia with a mutual stake in each other's progress, prosperity, stability, security, and territorial integrity.

7. They acknowledged that, as free and open societies, sharing a common commitment to democracy and pluralism, India and Indonesia must play an active role in the promotion of peace and stability in Asia and world at large.

8. Prime Minister Singh and President Yudhoyono noted that Asia is emerging as a leading growth centre of an increasingly interdependent

globalised economy. This trend offers both countries new opportunities for enhanced economic engagement for mutual benefit. The two leaders reiterated their common commitment to their primary goal of ensuring broad-based and people-centered economic development and growth to improve the quality of life of their respective peoples.

9. Determined to build on the common historic legacy of their nations and to raise bilateral relations to a higher level, the two Leaders decided to establish a New Strategic Partnership between their countries in keeping with contemporary realities. This Partnership, based on the solid foundation of shared values as well as a shared commitment to democratic pluralism and the rule of law and to genuine multilateralism in international affairs, would impart stronger economic and socio-political dimensions to their bilateral relations. Thus, they would address the long term interests of both countries, enhance all-round cooperation and contribute to regional and global peace and stability.

10. Realizing that they now face a world that is fundamentally different than the one when Indonesia and India first established diplomatic relations six decades ago, this Partnership calls for Indonesia and India to adapt and elevate their relations to take on present and future challenges. As the world's largest democracies, and as independent-minded nations with a long tradition of internationalism, the combined voice of Indonesia and India can make a difference in international affairs.

11. This New Strategic Partnership, therefore, calls for closer diplomatic coordination, stronger defense relations, enhanced economic relations especially in trade and investment, greater technological cooperation, as well as intensified cultural ties, educational linkages and people-to-people contacts. This Partnership also compels both countries to harness the unbounded opportunities that lie ahead and to draw from each other's strength.

Political, Defence and Security Cooperation

12. The two leaders welcomed the important contributions made to bilateral cooperation by various existing mechanisms such as the India-Indonesia Ministerial Joint Commission and the Joint Consultative Forum and noted with satisfaction the important outcomes of recent Ministerial visits and other high level bilateral visits from both sides. They further

welcomed the conclusion of the MoU on Cooperation between the respective diplomatic training institutes of the two countries.

13. Recognizing the important role India and Indonesia are called upon to play in the promotion of regional security by virtue of their being close geographical neighbours with a shared maritime boundary, the two Leaders, welcomed the recent growth of bilateral defence and security ties between their countries. They cited the significance of the conclusion of the Bilateral Agreement on Cooperative Activities in the Field of Defence concluded in 2001 and emphasized the need to further institutionalize and expand this cooperation.

14. President Yudhoyono welcomed India's offer of cooperation with the Department of Defense of the Republic of Indonesia in the procurement of defence supplies, defence technologies, joint production and joint projects. The two Leaders agreed to further increase contacts and exchanges of visits between their respective defense officials and intensify joint education and training of these officials. They also agreed to hold an annual India-Indonesia Strategic Dialogue at the senior officials level which would commence its first meeting at the first half of 2006.

15. Recognizing that both countries have large exclusive economic zones and maritime interests, the two Leaders agreed to work closely to enhance cooperation in capacity building, technical assistance and information sharing between their respective relevant agencies.

16. Recognizing that terrorism constitutes one of the most serious threats to international peace and security, the two Leaders condemned terrorism in all its forms and manifestations as criminal and unjustifiable, irrespective of their motives. They resolved to further strengthen cooperation under the bilateral MOU on Cooperation to Combat International Terrorism and to coordinate measures to combat terrorism in a comprehensive and sustained manner. They deplored any and all attempts to link terrorism with any particular religion or ethnicity. Prime Minister Singh condemned the terrorist attacks in Bali on 1 October 2005 and expressed full support for President Yudhoyono's determination to eradicate the threat of terrorism in Indonesia. President Yudhoyono condemned the multiple bombings that killed scores of innocent civilians in New Delhi on 29 October 2005 and conveyed his profound sympathy for the victims of that terrorist outrage.

Closer Economic and Commercial Engagement¹

17. Recognizing that closer economic integration between India and Indonesia could contribute to the transformation of the broader Asian region into an "Arc of Advantage and Prosperity", thereby promoting growth and stability, the two Leaders welcomed the work of the Joint Experts Working Group constituted by the Joint Commission to submit recommendations for broadening and strengthening bilateral trade, economic and investment cooperation. They also agreed to constitute a Joint Study Group to examine the feasibility of a Comprehensive Economic Cooperation Agreement between India and Indonesia.

18. The two Leaders noted with satisfaction that bilateral trade is steadily growing and is expected to exceed US \$ 4 billion in 2005. This year has also seen a welcome two-way trend of new investments flows between the two countries. However, there remains considerable untapped potential that can be realized through the diversification of the trade basket and further increase of investments, taking advantage of existing complementarities. Both sides agreed to take measures to facilitate tripling of bilateral trade from current levels to at least US \$ 10 billion by 2010 in a balanced and mutually advantageous way.

19. The two Leaders acknowledged that global energy supplies are vital to their respective national interest, making it essential for both countries to enhance cooperation in the energy sector, including in coal mining and in the upstream and downstream oil and gas industries. They also agreed to initiate cooperation in non conventional energy sources, including bio-energy.

20. The two Leaders agreed to work together to improve connectivity and people-to-people contacts between their countries through enhanced tourism, civil aviation and shipping links. In this context, Prime Minister Manmohan Singh expressed appreciation for Indonesia's adoption of a visa-on-arrival policy for Indian nationals.

1. Earlier the two sides meeting at the end of September in Yogyakarta under the Joint Consultative Forum had projected the visit of the Indonesian President to India as a "significant event" that could help translate the vision into reality. The discussions at the Forum ranged from the on-going cooperation in defence and space and the growing bilateral trade and economic ties to the United Nations reforms and anti-terror campaign. According to official media sources, India's participation in the first-ever East Asia Summit and the peace process in the Indonesian province of Ache also figured in the Forum discussions.

Science and Technology Cooperation

21. Both leaders agreed that a New Strategic Partnership between India and Indonesia necessitates closer cooperation in the field of technology. Both leaders agreed to intensify technological cooperation, including in the field of defense technology, information and communication technology, nano-technology, bio-technology, and others. They also agreed to share experience on the use of information technology for the benefit of the small and medium enterprises.

22. Both leaders also agreed to promote greater linkages between their respective educational, research institutions and centers of excellence. They encourage their respective citizens to engage in greater research activities, academic exchanges and scholarships.

23. Both Leaders welcomed close cooperation between the Indian Space Research Organization (ISRO) and the National Institute of Aeronautics and Space of Indonesia (LAPAN) under an MOU on Cooperation concluded in 2002. The Indian Prime Minister expressed appreciation for the assistance provided by LAPAN for the setting up of ISRO's second Telemetry, Tracking and Command Centre in Biak, in the Province of Papua, Indonesia which is due to be commissioned soon.

24. The Indonesian President expressed the wish that the process of transfer of technology and capacity building between ISRO and LAPAN could be intensified. Furthermore, he expressed hope for greater bilateral cooperation in such undertakings as the development of rockets for scientific purposes and satellite technologies; the utilization of Indian remote sensing satellites, tele-education and tele-health; and the launching by piggy back method of LAPAN TUBSAT micro satellite in early 2006.

25. The two leaders emphasized the importance of enhancing bilateral and regional cooperation in disaster management and early warning systems, including Tsunami early warning system for the Indian Ocean region.

Cultural and Technical Cooperation

26. Both Leaders noted with satisfaction the expansion of bilateral cooperation in the fields of education and human resource development. The Indonesian President expressed appreciation for India's Technical and

Economic Cooperation (ITEC) Program and welcomed the setting up of a Vocational Training Centre for the Construction Sector in Jakarta in May 2005. He also expressed the wish that similar training centres could also be established in Aceh. The Indian Prime Minister agreed to assist in the establishment of a Vocational Training Centre in Aceh, Indonesia.

27. In order to increase connectivity and people-to-people contacts as well as cultural ties between the two countries, the two Leaders agreed to encourage community leaders from both countries to establish an Indonesia-India Friendship Association based in New Delhi and Jakarta.

Multilateral and Regional Cooperation

28. The two Leaders reiterated their commitment to strengthen the role of the United Nations so that it can become a more effective multilateral system based on the principles of international law and the principles and ideals enshrined in the UN Charter. Thus, it would become humanity's principal instrument for achieving international peace and security as well as development. They cited the need to advance the objectives of the global agenda in a balanced manner and to adopt a comprehensive approach to the fulfillment of the Millennium Declaration and the attainment of the Millennium Development Goals.

29. Both Leaders reiterated support for the ongoing reform of the United Nations and its principal organs, including the Security Council, with a view to making the United Nations more democratic, transparent and efficient so that it can deal more effectively with the myriad challenges of today's world. They stressed the importance of an early restructuring of the UN Security Council to make its decision making processes more democratic, transparent and responsive to the realities of the world today. They stressed that such a restructuring of the Council entailed that the developing world be adequately represented through permanent members on the Council. They agreed to remain closely engaged on various issues related to the reform of the United Nations as reflected in the Outcome Document of the High Level Plenary Meeting of the 60th Session of the UNGA held in New York in September 2005.

30. The Indian Prime Minister commended the initiative of Indonesia to host the Asian-African Summit in Jakarta in April 2005 in conjunction with the observance of the Golden Jubilee of the 1955 Bandung Conference.

Both Leaders resolved to help strengthen the New Asian-African Strategic Partnership (NAASP) by promoting cooperation between Asian and African countries and actively participating in the implementation of concrete actions envisioned in the Partnership.

31. Both leaders emphasized the need to cooperate to ensure the successful outcome of the WTO Development Agenda because it will be important for the achievement of the Millenium Development Goals (MDGs). As Indonesia and India are members of the G-20 and G-33, both leaders are committed to ensure that a successful Doha Development Agenda (DDA) means a balanced outcome which meets the concerns of developing countries.

32. The Indian Prime Minister cited the important and constructive role that Indonesia plays in ASEAN and Indonesia's contributions for regional stability. The Indian Prime Minister welcomed Indonesia's intention to enhance her engagement with South Asia and in the Indian Ocean. The Indonesian President expressed appreciation for India's "Look East" policy and the growing partnership between ASEAN and India, which had been further strengthened by the adoption of the "India-ASEAN Partnership for Peace, Progress and Shared Prosperity" and its detailed Plan of Action. Both Leaders stressed that the India-ASEAN partnership is based on common interest in peace and prosperity for the entire South and Southeast Asian region. They also underlined their shared commitment to deepening the integration of the Indian economy with the economies of ASEAN.

33. India expressed appreciation for Indonesia's support for its participation in the First East Asia Summit. While acknowledging the centrality of ASEAN in leading the process of creating this new regional architecture, both countries affirmed the need for all sixteen EAS countries to fully participate and actively contribute towards a common vision of an East Asian Community that would facilitate closer regional cooperation and integration. In this regard, they highlighted the importance of the development of a road map and modalities for the progressive realization of the East Asian Community.

Conclusion

34. The two sides expressed their conviction that President Yudhoyono's highly successful State Visit to India, and the decision of the two countries

to establish a New Strategic Partnership, have opened a new chapter in the friendship and cooperation between the two countries.

35. President Yudhoyono, on behalf of the Indonesian Government and people, expressed his appreciation to the Government and people of India for the warm hospitality extended to him and his delegation. He invited Prime Minister Manmohan Singh to visit Indonesia at a mutually convenient time. The invitation was accepted with pleasure, with dates to be decided through diplomatic channels.

**Prime Minister of the
Republic of India**

**President of the
Republic of Indonesia**



308. Memorandum of Understanding between the Ministry of External Affairs of Republic of India and the Department of Foreign Affairs of Republic of Indonesia on Training Cooperation.

New Delhi, November 23, 2005.

The Ministry of External Affairs of the Republic of India and the Department of Foreign Affairs of the Republic of Indonesia hereinafter referred to as "the Parties".

Desiring to strengthen the existing friendly bilateral relations through closer cooperation in the field of training between the Parties;

Considering the need to develop and foster cooperation between the diplomatic institutions of the Parties;

Aware of the importance of exchanging experiences that contribute to the strengthening of training activities for diplomatic personnel and of diplomatic studies;

Pursuant to the prevailing laws and regulations of the two countries;

Have Agreed as Follows :

Article - 1 Objective

The objectives of the Memorandum of Understanding hereinafter referred to as the "MOU" are to:

1. Provide a framework for cooperation in the field of training for the diplomats of both countries. Such cooperation shall not be guided by any commercial consideration;
2. Create conditions for maintaining regular contacts and cooperation between the diplomatic institutions of the Parties;
3. Promote human resources development for the diplomats of both countries.

Article - 2 Areas of Cooperation

The area of cooperation under the MOU may consist of:

1. Exchange of information of the curricula of diplomatic courses, training programs, seminars and other academic activities on issues of common interest;
2. Exchange of publications and other printed materials published by the Parties or other institutions in their respective countries in the field of foreign policy, international relations, international law, international economic affairs, political sciences or other subjects of common interest;
3. Exchange of lecturers with a view to sharing their respective knowledge and experience with lecturers and students of the other Party;
4. Exchange of officials or, where appropriate of students, to further study certain courses on topics of mutual interest such as linguistics, cultural, political and economic systems and foreign policies of the other Party at the Party's diplomatic institution or, where appropriate at the educational institutions of the Parties, that both sides agreed.

Article - 3
Executing agencies

1. The Ministry of External Affairs of the Republic of India designates the Foreign Service Institute of the Ministry of External Affairs of the Republic of India as the Executing Agency that is responsible for the implementation of this MOU.
2. The Department of Foreign Affairs of the Republic of Indonesia designates the Centre for Education and Training of the Department of Foreign Affairs of the Republic of Indonesia as the Executing Agency that is responsible for the implementation of this MOU;

Article - 4
Implementation

1. The Parties shall hold periodical consultations as deemed necessary in implementing this MOU;
2. The financial and administrative arrangements of the above mentioned programs and other mutually agreed-upon programs made under this MOU shall be determined by the Parties on a case-by-case basis for their implementation.

Article - 5
Settlement of Dispute

Any disputes between the Parties concerning the interpretation and/or implementation of this MOU shall be settled amicably through consultations and negotiations.

Article - 6
Amendment

This MOU can be reviewed or amended at any time by mutual consent by the Parties. Such revisions or amendments shall enter into force on such date as may be determined by the Parties and shall form an integral part of this MOU.

Article - 7
Entry into Force, Duration and Termination

1. This MOU shall enter into force on the date of its signing;

- 2 This MOU shall remain in force for a period of three 3 years and automatically be extended for one 1 year consecutively unless stated otherwise in writing by either Party at least three 3 months prior to the expiration of this MOU;
- 3 The termination of this MOU shall not affect the validity and duration of any ongoing program or activities made prior to the termination of this MOU until the completion of such programs or activities.

Signed on behalf of
Government of India
(Rajiv Sikri)
Secretary (East)
Ministry of External Affairs
Government of India

Signed on behalf of
Government of Indonesia
(Herijanto Soeprapto)
Director General (Asia Pacific and African Affairs)
Department of Foreign Affairs
Republic of Indonesia



JAPAN

309. Joint Press release to strengthen economic relationship between India and Japan issued at the end of the visit of Commerce Minister to Japan.

Tokyo, April 14, 2005.

1. Towards strengthening the Japan-India economic relationship

During the visit of then Prime Minister of Japan, Mr. Yoshiro Mori, to India in 2000, it was agreed that Japan and India should establish a "Global Partnership", to accelerate, inter alia, IT-related cooperation in the economic area. After that, the IT business between the two countries has steadily expanded. For example, software exports of India to Japan have substantially increased, though it is still lower than that to Europe and the United States. Mr. Shoichi Nakagawa, Minister of Economy, Trade and Industry of Japan, and Mr. Kama! Nath, Minister of Commerce and Industry discussed the issue of taxation on software development in August last year. The two Ministers expect that this issue to be solved expeditiously through efforts

by related authorities in both countries thereby further expand the IT business between the two countries.

However, trade and investment between Japan and India have stagnated in other areas in the economy. Meanwhile, the economic situation is ready for strengthening the Japan-India economic relationship, since the Japanese economy is recovering steadily and various business indicators such as corporate performance and business sentiment are improving. India is coming under the spotlight as a center of global economic growth. The economic tie between the two countries will be getting closer as constituents of an Asia-wide economic network which is now in the process of development through the conclusion and negotiation of FTA/EPAs with ASEAN and its member countries.

2. Challenges (Areas of cooperation for the future)

(1) Manufacturing industry

The Indian government is actively addressing the development of the manufacturing industry, which has a huge effect on job creation, for example, by establishing the National Manufacturing Competitiveness Council to respond to the need to provide job opportunities to a growing number of people and the need to improve the standard of living of ordinary people. Meanwhile, a growing number of Japanese companies are beginning to recognize India as a promising market, with its expanding middle class and stable supply of superior labor forces. They are beginning to place India as one of the important bases in their strategy for production, logistics and sales particularly in the situation that countries in the Asian region are engaging in FTA/EPAs positively more than ever. It is necessary therefore that the economic relationship between the two countries develop to a high level in a win-win relationship, by various measures, especially by establishing a close partnership in the manufacturing industry. There is the possibility that these processes will add momentum to strengthen the partnership in the service industry including the IT industry.

Securing a stable supply of natural resources, including iron ore, is also a crucial issue to be addressed for both countries since tight demand-and-supply balance is expected to be continued in the future.

(2) Interaction as global partner

Mr. Shoichi Nakagawa, Minister of Economy, Trade and Industry of Japan, visited India with a delegation from the Japanese private sector in August 2004 followed by a second visit in January 2005. Now, Mr. Kamal Nath, Minister of Commerce and Industry of India, has visited Japan with a delegation from the Indian private sector. Such frequent mutual visits have established a strong trusting relationship between both Ministers. Based on this, the two Ministers are releasing this joint press statement. The two Ministers agreed to further strengthening the ministerial dialogue and exercising a political initiative towards cementing the economic relationship between the two countries.

Today, the two Ministers exchanged views on the current status of the DDA (Doha Development Agenda) and their respective positions, and agreed that a successful conclusion of the round is essential for the economic development of both countries and the world as a whole.

3. Action plan

The two Ministers agreed on following with a view to reinforcing the economic relationship between the two countries.

- (1) Manufacturing industry
 - (a) Improvement of Investment environment

It is crucial, in the first place, to deepen and share mutual recognition and understanding about soft and hard infrastructure, which is an important factor for the operation of the firms in the manufacturing industry, through expanding the interaction among governments and private sectors in both countries. Every effort will be made to improve the investment environment based on such an effective and efficient foundation. These efforts include promotion of yen loan projects by utilizing Japan's excellent techniques and know-how, effective use of Special Economic Zones (SEZs), review of tariff structure, facilitation and speeding up of administrative procedures by means of establishment of a "one stop shop", for instance.

- (b) Development of supporting industry

In order to support manufacturing industry, Japan has made commendable efforts to promote cooperative activities such as dispatching

technical experts and accepting technical trainees from India. Japan is strongly committed to make further efforts in the future.

(c) Investment promotion

The two Ministers encourage institutions such as Japan External Trade Organization (JETRO) and India Trade Promotion Organization (ITPO) to enhance investment promotion activities such as dispatch of investment missions, organizing investment seminars and dissemination of investment information. Also, close linkage and cooperation among such institutions should be highly encouraged. Japan appreciates the 'Destination India' organized by the Federation of Indian Chamber of Commerce and Industry (FICCI), welcomes the International Engineering & Technology Fair (IETF) which Confederation of Indian industry (CII) will hold in 2007 and is prepared to provide every possible support.

Also, it is expected that economic organizations such as the Japan Chamber of Commerce and Industry (JCCI) and Japan Business Federation will make further positive efforts, including the dispatch of investment missions, with a view to realizing the expansion of investment,

In order to actively support the endeavors in the private sector, the government of both countries will actively tackle investment promotion activities, including the dispatch of business missions along the lines of those which Japan and India have been implementing and collection of information for dissemination to investors, such as 'Study for Enhancing Economic and Business Relationship between Japan and India, which Ministry of Economy, Trade and industry of Japan implemented last *fiscal* year.

(d) Securing stable supply of natural resources & investment cooperation in their development

Recognizing that the stable supply and development of natural resources has long been the basis for the mutually beneficial growth of our economies, the two Ministers agreed to also enhance supply and investment cooperation related to natural resources,

4. Interaction as global partner

(a) Efforts of the governments

The two Ministers announced the establishment of the “policy dialogue” in January 2005 with an eye on the possibility of a Japan-India EPA (Economic Partnership Agreement) and its first meeting was held last week in New Delhi. Also, the fourth India-Japan Investment Dialogue, which aims at promoting investment between the two countries, was held yesterday in Tokyo.

These sorts of dialogues between counterparts are very useful in deepening mutual understanding on what needs to be done and what needs to be solved with regard to the institutional mechanism/regime, which serves as a platform for business activities, and removing the impediments in conducting business. Therefore they should be further activated and fully utilized as important step towards concrete action which should be effective in promoting business activities between the two countries.

With regard to the Doha Development Agenda, it is critically important to deepen the dialogue between the two Ministers and strengthen the partnership between the two countries toward the sixth WTO Ministerial to be held in Hong Kong this December.

(b) Efforts of the private sector

We highly appreciate the activities of the Japan-India Business Co-operation Committee (JIBCC) and Federation of Indian Chambers of Commerce and Industry (FICCI) including their joint committee meeting. These efforts have played an instrumental role in the interaction between the business communities in both countries. It is expected that these kinds of efforts to be made in other organizations such as the Japan Business Federation and India’s CII.

14 April, 2005

Shoichi Nakagawa
Minister of Economy,
Trade and Industry of Japan

Kamal Nath Minister of
Commerce and Industry
of India



310. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh with the Japanese Foreign Minister on the sidelines of the Afro – Asian Summit Conference.

Jakarta, April 21, 2005.

The External Affairs Minister K. Natwar Singh met the Foreign Minister of Japan. This was a 40-minute meeting and the main subjects that were discussed were the Japanese Prime Minister's visit to India and the joint efforts being made by the two countries as members of G-4 on the issue of expansion of the Security Council. The Japanese Foreign Minister conveyed to Shri Natwar Singh that the Japanese Prime Minister Mr. Koizumi is greatly looking forward to his visit to India and they both agreed that the visit must have substantive outcomes and lay the basis of the India-Japan Global Partnership in the new Asian era. It was agreed particularly that cooperation in bilateral trade, economic and investment issues and security fields and maritime security should be enhanced.

They exchanged views on the ongoing efforts to promote reforms in the United Nations including the UN Security Council reforms and they agreed that the momentum of these efforts need to be further intensified. They also agreed that the UN Security Council today should reflect the realities of the present day world and the G-4 countries would continue to work in close consultations with each other to ensure positive outcomes this year.

Regional developments were also discussed by the two Ministers and the External Affairs Minister thanked the Japanese Foreign Minister for Japan's support for India's participation in the East Asia Summit.



311. Interview of Prime Minister Dr. Manmohan Singh with Japan Broadcasting Corporation (NHK).**New Delhi, April 28, 2005.****Question :** Importance of G4 cooperation in UNSC reform.**Answer:** I am very happy that India, Japan, Germany and Brazil have got together to work together for the reform of UN Security Council to make it more representative of contemporary realities and also to make it more effective. The Group of 4 has already, I think, made an impact. I think there is a growing support among the members of the United Nations that a Security Council which does not have Japan, India, Brazil & Germany cannot be truly representative of the modern world that we live in.**Question :** China supports for India, but not for Japan. Pak supports for Japan, but not for India. How we can achieve our common goal in tandem by September?**Answer:** I think it is very important that we four countries ought to adopt concerted strategies. I think there is a growing recognition in Asia, in Africa, in Latin America and even in Europe that the new world that is now on the horizon requires the presence of countries like Japan, India, Brazil and Germany in the Security Council. I am confident that if we work together, we will gather more and more support.**Question :** How should we work to achieve the goal?**Answer:** We have to work with common sense of purpose. Things are going well as far as I know at the moment. I do not minimize the hurdles on the way but I think we are gaining more and more commitments from member countries of United Nations.**Question :** Importance of India-China-Japan relations in 21st century Asia.**Answer:** I attach great importance to the role of Japan in refashioning and building new Asian community which I consider can become an arc of opportunity and arc of prosperity. I can't think of a prosperous Asia in which Japan China and India are not partners. I know there are momentary problems between Japan and China but the interdependence of two nations

is so great and I do believe that the statesmen in both countries will have the vision to not to allow the differences to blur the wider vision.

Question : Will Japan-China relation affect UN reform effort?

Answer: In International affairs like human affairs, there are hic-ups, but I am confident that that these hic-ups cannot derail the process of our four countries moving together.

Question : Significance of India getting permanent seat?

Answer: There will be consequences (like) the poorer countries and Asian countries will have greater representations. The problems of the world have increased in terms of their diversity. And if we do not pay adequate attention to the problems of poorer countries of the world - and half the population of the world is India and China - the challenge of development is also more acute in poorer countries of the world. United Nations in the past has talked about the imperative of development but has not been able to mobilize the international community for a concerted global strategy to mount a frontal attack on world poverty. It is time that we recognize that we are in an era where science and technology have made it possible as never before in human history that chronic poverty, ignorance and disease do not have to be the inevitable lot of a majority of human kind. It is a challenge for all of us to use this opportunity to make the world of ours free from fear of war, want and exploitation.

Question : Growing Indian economy and energy strategy.

Answer: First of all we need a concerted global strategy which recognizes the importance of energy in sustaining the process of development and we require a new vision, a new concerted approach to tackle the problems of energy. As far as India is concerned, India's needs for commercial energy are bound to increase under any concerted strategy of development. Our effort has to be to approach it at two levels. We must make maximum use of domestic resources, we must reduce our import, reduce our dependence on hydro-carbons and simultaneously we must work with other countries to accelerate the process of exploration and production and utilization of the available resources in the rest of the world.

Question : Cooperation with Japan in the energy context.

Answer: Japan is a large importer of energy and the way the Japanese government and Japanese society and polity have dealt with oil crisis since 1973, I think it is a shining example of what can be done to reduce excessive dependence on hydrocarbons. Therefore, India and Japan I believe can work together to take advantage of the new Japanese technologies which are energy saving and also environment friendly. We can also put in place joint research projects to promote greater efficiency, greater environment friendly and pursuit of greater environment friendly technology.

Question : Japan- India relationship.

Answer: Let me say that we are grateful to Japan for the help that we have received from Japan in accelerating the process of social and economic development in our country. We are very grateful to Japanese government and Japanese people for the fact that India is largest single recipient of Overseas Development Assistance from Japan. I also recall with pleasure that Japan has helped us to build and to expand sectors which are very high on our list of priorities like fertilizer, like oil exploration and development. But it is also a fact that we are somewhat disappointed that the Japanese business community has not paid as much attention to opportunities in India as they have done in many other countries of the world. And I sincerely hope that Prime Minister Koizumi's visit will kindle a new sense of awareness that there are a lot of opportunities in our countries that the business communities of India and Japan working together can chart out a new path of cooperation.

Question : What sort of specific measures should be taken?

Answer: India's requirement of infrastructure and development are very heavy. I have said that we need at least \$150 billion in next decade to modernize our infrastructure. We want urban transport, mass transportation system. In Delhi we are putting in place a Delhi Metro with the help of Japanese government. Similar demands are now on the horizon for cities like Bangalore. There are urban transportation problems in Mumbai and some of these projects could become real avenues in which our business communities could work together to give concrete shape to these ideas.

Question : Final settlement of J&K issue, flashpoint of nuke war?

Answer: I do not buy the argument that South Asia is on the flash of a nuclear conflict. India and Pakistan are both nuclear powers and as far as

India is concerned we are responsible nuclear power. We are not a signatory to NPT, we regard it as discriminatory treaty but we have put in place adequate safeguards. We will not contribute to the unauthorized proliferation of Weapons of Mass Destruction. We want to work with the rest of the community to prevent unauthorized proliferation of these weapons, also we have no first use doctrine. I am confident that the process that we have begun in the last couple of months with Pakistan to build up partnership to resolve step by step all outstanding issues which have affected relations between our two countries, will yield positive results. I recognize that problems like Jammu and Kashmir are complicated problems and we need therefore to move, to make progress on all elements of Composite Dialogue and both our countries are committed to that and that augurs well for peace and stability in South Asia.

Question : Possibility of changing India's position toward NPT and CTBT.

Answer: We are dealing with complicated issues. These are not simple answers. I think the world has come to terms with the fact that India is a nuclear power. We also recognize the concern in the rest of the world that the proliferation of Weapons of Mass Destruction should be prevented. Therefore I believe that it is not beyond human ingenuity to accommodate India's aspirations in the evolving global nuclear structures.

Question : Japan's role in South Asian issues like Sri Lankan peace process, Afghan reconstruction...

Answer: Afghanistan's reconstruction requires the support of international community. I believe, it is for everybody's good that international community stays involved in Afghanistan and that is good for world and good for South Asia and good for Afghanistan. In the same way, we are not directly involved in the peace process in Sri Lanka but we are supportive of the peace process. We have always been in favour of united Sri Lanka in which all communities can live in peace and harmony and the legitimate aspirations of all communities can find genuine expression and therefore we are supportive of the peace effort in Sri Lanka.



312. Media briefing by Official Spokesperson on the engagements of the Japanese Prime Minister on the first day of his visit.

New Delhi, April 29, 2005.

1. H.E. Mr. Junichiro Koizumi, the Prime Minister of Japan, is currently on an official visit to India. He arrived in India last evening. Prime Minister Koizumi called on the President earlier today and held in-depth talks with the Prime Minister this evening. The discussions between the two Prime Ministers covered a wide range of bilateral, regional and international issues, and were held in a friendly and constructive atmosphere. He will be meeting External Affairs Minister tomorrow morning before his departure. After their discussions, the two Prime Ministers signed a Joint Statement captioned "India-Japan Partnership in the New Asian Era: Strategic Orientation of India-Japan Global Partnership". The text of the Joint Statement is being made available on the MEA website.
2. The Joint Statement outlines an updated vision of the India-Japan global partnership in the backdrop of steady development of bilateral relations in recent years and the far-reaching changes in the international situation, particularly in Asia. It also lays down a concrete "Eight-fold Initiative" for strengthening the global partnership.
3. The two Prime Ministers have agreed that the global partnership between India and Japan reflects a broad convergence of their long-term political, economic and strategic interests, aspirations, objectives and concerns. As two major countries in Asia, India and Japan recognise the importance of their respective roles in the emerging international situation as also the ever-increasing salience of their partnership. India and Japan view each other as partners that have responsibility for, and are capable of, responding to global and regional challenges in keeping with their global partnership. A strong, prosperous and dynamic India is, therefore, in the interest of Japan; likewise, a strong, prosperous and dynamic Japan is in the interest of India. With this background in view, the two countries agreed **to reinforce the strategic focus of their global partnership**. The renewed strategic orientation of India-Japan Global Partnership will manifest itself at three layers of cooperation, bilateral, regional and global.
4. Other main elements of the Joint Statement include, inter alia, the following:

- (i) An Eight-fold Initiative will seek to realise the full potential of India-Japan global partnership. It will comprise of measures for cooperation in eight key areas of interaction: (a) enhanced and upgraded dialogue architecture; (b) comprehensive economic engagement; (c) enhanced security dialogue and cooperation; (d) science and technology initiative; (e) cultural and academic initiatives and strengthening of people to people contacts; (f) cooperation in ushering a new Asian era; (g) cooperation in the UN and other international organisations; and (h) cooperation in responding the global challenges and opportunities.
- (ii) It has been decided to hold annual Prime Minister level meetings and regular ministerial level exchanges.
- (iii) A High Level Strategic Dialogue at the level of NSA and Advisor to the Japanese PM is being launched, to look at India-Japan bilateral relations from a long-term and strategic perspective and to evolve stronger coordination between the two countries on major international and regional issues.
- (iv) It has also been decided to launch a new oil and natural gas cooperation dialogue between the Ministry of Petroleum & Natural Gas of India and the Ministry of Economy, Trade & Industry of Japan. (India and Japan will strengthen their cooperation in the areas of energy and environment, focusing in particular on energy security and energy efficiency. They will also cooperate on improving Asian oil markets and increasing investments in Asian energy infrastructure.)
- (v) The India-Japan Joint Study Group, which is going to hold its first meeting in June 2005, has been directed by the two Prime Ministers to submit its report within a year, focussing on measures required for a comprehensive expansion of trade in goods and services, investment flows and other areas of economic relations between the two countries. The JSG will also consider the feasibility of an **India-Japan Economic Partnership Agreement**.
- (vi) Several measures have been identified for achieving a qualitative shift and major jump in the level of bilateral economic

and commercial cooperation, including higher levels of investments in India by Japanese companies.

- (vii) As part of the new, innovative and multi-pronged approach to bring about a quantum increase in the level of economic engagement, the two sides have, inter alia, decided to utilise Japan's Special Terms for Economic Partnership (STEP) Scheme for carrying out large-scale priority projects in infrastructure sector in India. In this context, it has been agreed to examine the feasibility of proposals for dedicated multimodal high-axle load freight corridors with computerized train control system on Mumbai-Delhi and Delhi-Howrah routes utilising the STEP Scheme and with the inputs of Japanese technology and expertise. (The projects are estimated to cost approximately US \$ 5 billion dollars.)
- (viii) The Government of Japan have recently decided to commit yen loans of Japanese Yen 134.5 billion, which is approx. 5600 crores, for eight projects in FY 2004. These projects include North Karanpura Super Thermal Power Project, Delhi Metro and Ganga Action Plan for Water Purification. (India is the largest recipient of the Japanese Official Development Assistance.)
- (ix) Exchanges and dialogue in the security and defence fields will be further developed and enhanced. The Japan Coast Guard and the Indian Coast Guard will strengthen their cooperation, including against piracy. The Indian Navy and the Maritime Self Defence Forces of Japan will enhance their cooperation, keeping in view the importance of ensuring the safety and security of international maritime traffic.
- (x) Decision has been taken to launch a new Science & Technology Initiative, the detailed modalities of which will be worked out by the India-Japan Joint Committee on Science & Technology Cooperation, which is to hold its next meeting later this year. The Initiative will explore cooperation in areas like bio-technology, hydro-carbon fuels, nano-technology, information technology and robotics.

- (xi) In order to overcome the language barrier that has impeded interaction in various areas, India and Japan have decided to cooperate in expanding Japanese language studies in India in a major way, with a target of 30,000 learners at different levels in the next five years. Japanese will be introduced as an optional foreign language in Indian secondary school curriculum. The Japanese side has also conveyed their support for our decision to establish centres of Japanese studies at Indian universities and institutions where Japanese language is being taught and to set up Japanese language teaching cells in seven Indian Institutes of Technology.
- (xii) Cultural and academic contacts between the two sides will be strengthened through several specific initiatives. Japan has agreed to collaborate towards the development of an Indian Institute of Technology (location to be decided) as well as the Indian Institute of Information Technology for Design and Manufacturing at Jabalpur. The Governments of India and Japan will also introduce a new academic exchange programme involving ten designated educational institutions on either side. The two countries will hold Festivals of India and Japan in respective countries in 2007-08. A Japan Cultural Centre of the Japan Foundation will be established in New Delhi and an Indian Cultural Centre in Tokyo. Tourism related infrastructure, including the Buddhist pilgrimage circuit, will be developed in India with Japanese assistance. Strong efforts are to be made by both sides to raise the profile of India in Japan and of Japan in India.
- (xiii) India and Japan reiterated their support to each other for the permanent membership of the expanded UN Security Council. Both countries share the view that it is important to take a decision on Security Council reform before the Summit meeting in September 2005. India and Japan have decided to strengthen their cooperation in this regard, bilaterally and in the G-4 setting¹.

1. Same day the External Affairs Minister Natwar Singh said that despite UN Secretary General Kofi Annan ruling out the veto power to new members of the enlarged Security Council, India and other aspirants would insist on the veto power.

- (xiv) Japan conveyed its support for India's membership for the East Asia Summit. Both sides have also agreed, in the context of their renewed strategic focus in the new Asian era, to explore the emerging contours of Asian architecture. They have agreed to work together to promote and realise the vision of an Asian Economic Community as an 'Arc of Advantage and Prosperity', as proposed by Prime Minister Manmohan Singh.
- (xv) In a pragmatic move, the two countries have also decided to work as partners against proliferation, notwithstanding their different approaches towards the shared goal of universal nuclear disarmament. They will seek to promote commonalities in their approaches and find areas of convergence for mutual cooperation towards the advancement of overall bilateral relations.

6. The visit of Prime Minister Koizumi has opened a new chapter in the friendly and cooperative relationship between India and Japan. The two countries have agreed to give a strategic focus to their global partnership, work together as partners in the new emerging Asian era, and launch a set of concrete initiatives to take their partnership to a higher dimension.



313. Speech by Prime Minister Dr. Manmohan Singh at the banquet in honour of the Japanese Prime Minister Junichiro Koizumi.

New Delhi, April 29, 2005.

Your Excellency, Prime Minister Junichiro Koizumi,
Distinguished members of the Japanese delegation,

Ladies and Gentlemen,

May I, on behalf of the people and the Government of India, once again extend to Your Excellency and the distinguished members of your delegation, a warm welcome to our country.

We have been looking forward to this visit, which gives us the

opportunity to renew the spirit of goodwill and mutual regard that exists between our countries and to chart out new directions for the expansion of our bilateral ties.

Excellency, our contacts with Japan date back to ancient times. It is on the strong foundation of these age-old spiritual, cultural and civilizational ties that we are striving to build a contemporary relationship. One that is based on our shared commitment to the ideals of democracy, peace and freedom.

It is a noteworthy fact that though we have gone through various phases in our relationship, in times of difficulty, we have stood by each other. It is important to recall that India refused to attend the San Francisco Peace Conference in 1951 and signed a separate Peace Treaty with Japan in 1952. This Pandit Nehru felt, gave to Japan a proper position of honour and equality among the community of free nations. In that Peace Treaty, India waived all reparation claims against Japan.

The dissenting judgement of Justice Radha Binod Pal is well known to the Japanese people and will always symbolize the affection and regard our people have for your country.

On the other hand, I recall that in 1991, when I was Finance Minister, Japan played a very supportive role to help us tide over the economic crisis. It was as a result of such friendly support that India was able to emerge from the crisis and to subsequently embark on the path of economic reform that has changed the face of the economy.

Japan has also provided us valuable assistance for the development of basic industries like fertilizers, petro-chemicals and automobiles. We greatly appreciate the fact that India is today the largest recipient of Japan's ODA.

Excellency, it is an opportune moment to build on this past history of very cordial bilateral interaction. Today, when we seek to come closer, the time has come to renew and reinvigorate our Asian identity, building on the commonalities of our interests, aspirations and values.

The challenge that we face today in India is to devise a model of strategic intervention that centres around fulfilling the basic needs and

concerns of the common man but where the State places no oppressive burden on the creative spirit of free enterprise.

In this context we have much to learn from the economic miracle that has brought such prosperity to the people of Japan. Your success has been greatly admired in India. Many of the factors behind your success such as the optimal use of limited resources, the innovative use of market forces and the maintenance of harmony and balance between social traditions and economic modernization are very relevant. We hope to imbibe these values.

Excellency, we believe that there has been a paradigm change in the political ambience of our relations in recent years. It is thus only befitting that we have decided during your visit to add a new strategic focus to our Global Partnership and to deepen and widen our cooperation in the "New Asian Era". We see this as a many-layered initiative encompassing diverse areas of our interaction.

In particular we want to reduce the psychological and other barriers that prevent fuller exploitation of the immense potential that lies untapped in our economic ties. The business communities of the two countries must be induced to invest in this relationship and be persuaded that it is an economic opportunity to do so.

Excellency, we recognize Japan's contributions to world peace and development. We share the belief that both India and Japan should play their rightful and commensurate role in international affairs. It is on the basis of this understanding that we have made common cause in the process of reform of the United Nations.

Today is Greenery Day in Japan. I recall the words of the great Japanese scholar Okakura Tenshin that "...the raindrops of new vigour must refresh the earth before new flowers can spring up to cover it with their bloom. But it must be from Asia herself..... that the great voice shall be heard..."

Ladies and Gentlemen, I am convinced that it is time for us to come together to build a new Asian era of enduring peace and prosperity.

It is with this hope that I now request you to join me in a toast:

- to the health of His Excellency Mr. Junichiro Koizumi, Prime Minister of Japan
- to the prosperity and well-being of the people of Japan, and
- to the friendship between India and Japan.



314. Joint Statement issued during the visit of Prime Minister of Japan Junichiro Koizumi.

New Delhi, April 29, 2005.

H.E. Mr. Junichiro Koizumi, the Prime Minister of Japan, is currently paying an official visit to India from April 28 to 30, 2005, at the invitation of H. E. Dr. Manmohan Singh, Prime Minister of the Republic of India. The two leaders held in-depth discussions on April 29, during which they covered the entire gamut of bilateral relations as well as regional and international issues of mutual interest. The discussions focused in particular on adding greater substance to bilateral relations and on measures to further deepen the India-Japan Global Partnership, taking into account the steady development in bilateral relations and the far-reaching changes in the international situation, in particular the new surge of change taking place in Asia.

2. The two leaders recalled that their meeting was taking place in the fifth anniversary year of "India-Japan Global Partnership". Observing that spiritual affinities, enduring cultural contacts, shared commitment to the ideals of democracy, tolerance, pluralism and open society, and a high degree of commonality of political, economic and strategic interests provided a strong basis for a long-term partnership, the two leaders noted the increasing salience of the India-Japan Global Partnership and decided to strengthen it through an Eight-fold Initiative.

The New Asian Era

3. The two leaders recognize that the current international situation, characterized by inter-dependence and the advent of globalization, offers fresh opportunities to both India and Japan for enhanced engagement for

mutual benefit. In this context, they expressed happiness at the rapid transformation taking place in Asia and their confidence in the bright future that lies ahead. A new surge of change, creativity and vitality is transforming Asia, aided by the strengthening of economic linkages, that include bilateral and regional arrangements, initiatives for greater regional integration as well as multilateral trade liberalization. Asia is now truly emerging as the leading growth centre of the global economy and exerting an ever-greater influence in the global affairs.

4. The two leaders are deeply aware that these developments will shape the future contours of Asian economies and politics. They also share the recognition that peace, stability and development in Asia is indispensable for world peace and development and the future of the world is intimately linked to the future of Asia. The two leaders recognize the need for concerted efforts among Asian countries to translate the positive developments into an 'Arc of Advantage and Prosperity' involving growth, prosperity, stability and closer integration in Asia. They are also aware of the responsibility that the two countries shoulder in this new emerging Asian era and are committed to closely working towards that end.

Common Vision of Partnership

5. India and Japan share a global vision of peace, stability and shared prosperity, based on sustainable development. Shared democratic values and commitment to human rights, pluralism, open society, and the rule of law underpin the global partnership between the two countries. The global partnership between India and Japan reflects a broad convergence of their long-term political, economic and strategic interests, aspirations, objectives and concerns. India and Japan view each other as partners that have responsibility for, and are capable of, responding to global and regional challenges in keeping with their global partnership. A strong, prosperous and dynamic India is, therefore, in the interest of Japan and vice versa. In the above context and in view of the current international situation, the two leaders decided to reinforce the strategic focus of the global partnership between India and Japan.

Expanding Cooperation: New Strategic Focus of Global Partnership

6. As partners in the new Asian era and with this new strategic orientation of their partnership, India and Japan, as two responsible and

major players in Asia, and as nations sharing common values and principles, will expand their traditional bilateral cooperation to cooperation in Asia and beyond. With this new focus, India and Japan will be partners in peace, with a common interest in and complementary responsibility for promoting the security, stability and prosperity of Asia as well as in advancing international peace and equitable development.

7. The renewed partnership between India and Japan will feature the following three layers of cooperation:

- Bilaterally, the two countries will further strengthen their cooperation and pursue an all round and comprehensive development of bilateral relations with a particular and urgent focus on strengthening economic ties through full utilisation of the existing and potential complementarities in their economies¹;
- Regionally, the two countries will strive to develop closer dialogue and collaboration to secure peace, stability, and prosperity in Asia, promote democracy and development, and explore a new architecture for closer regional cooperation in Asia; and
- Globally, the two countries will strengthen cooperation in diverse areas such as environment, energy, disarmament, non-proliferation and security, taking advantage of, and further building on, their strategic convergences.

Eight-fold Initiative for Strengthening India-Japan Global Partnership

8. In order to realize the full potential of their global partnership, the

1. On April 21 the Official Spokesperson announcing the visit of Junichiro Koizumi, Prime Minister of Japan said that he would "hold in-depth talks with the Prime Minister on bilateral, regional and international issues of mutual interest and concern." The Spokesperson Navtej Sarna said: "India enjoys warm and friendly relations with Japan. During the discussions between the two Prime Ministers, the two sides are expected to review the current state of bilateral relations and discuss measures to strengthen their dialogue and cooperation, with a view to adding greater substance to the bilateral relations and to the India-Japan Global Partnership. Their discussions are also expected to cover current international situation and efforts to expand traditional bilateral cooperation in Asia and beyond, thereby giving a new thrust and strategic orientation to the existing friendly relationship with Japan. We attach great importance to the visit of Prime Minister Koizumi, his first official visit to India. The visit is also significant as it comes in the fifth anniversary year of the establishment of Global Partnership between the two countries. The visit is expected to further strengthen and consolidate the friendly ties and global partnership between the two countries."

two leaders decided on an Eight-fold Initiative and decided to make their utmost effort to implement this Initiative, which comprises of measures for cooperation in eight key areas of interaction, namely: (i) enhanced and upgraded dialogue architecture, including strengthening of the momentum of high-level exchanges, launching of a High Level Strategic Dialogue and full utilization of the existing dialogue mechanisms; (ii) comprehensive economic engagement, through expansion of trade in goods and services, investment flows and other areas of economic cooperation, and exploration of an India-Japan economic partnership agreement; (iii) enhanced security dialogue and cooperation; (iv) Science and Technology Initiative; (v) cultural and academic initiatives and strengthening of people-to-people contacts to raise the visibility and profile of one country in the other; (vi) cooperation in ushering a new Asian era; (vii) cooperation in the United Nations and other international organizations, including cooperation for the early realization of U.N. reforms, particularly Security Council reform; and (viii) cooperation in responding to global challenges and opportunities. The details of the Eight-fold Initiative are attached herewith.

9. H.E. Prime Minister Koizumi thanked the Government and the people of India for their warm hospitality and extended a cordial invitation to Prime Minister Manmohan Singh to visit Japan at a mutually convenient time. Prime Minister Manmohan Singh accepted the invitation with appreciation. The dates of the visit will be decided through diplomatic channels.

Signed by:

Prime Minister of the Republic of India
Prime Minister of Japan
New Delhi
April 29, 2005

Eight-fold Initiative for Strengthening India-Japan Global Partnership.

In order to realize the full potential of their global partnership for peace and prosperity, the Prime Minister of India and the Prime Minister of Japan decided on the following Eight-fold Initiative:

1. **One, enhanced dialogue and exchanges:** The two leaders recognize the importance of regular dialogue and exchanges in increasing

mutual understanding. They note with satisfaction in this context that their meeting was the third one between them in a period of one year. They decided to hold annual Prime Minister level meetings, alternately in the two capitals or elsewhere, taking advantage of opportunities at regional and multilateral meetings. They also confirm their intention to promote regular ministerial level exchanges, including those between their Foreign, Defence, Trade, Finance and ICT Ministers. A High Level Strategic Dialogue will also be launched between the two countries. The two sides will fully utilise their existing dialogue mechanisms, and launch an oil and natural gas cooperation dialogue between the Ministry of Petroleum and Natural Gas of India and the Ministry of Economy, Trade and Industry (METI) of Japan.

2. **Two, comprehensive economic engagement:** The two sides will take several measures for broadening and deepening economic and trade cooperation between India and Japan based on the complementarities of the two economies, and decided to work towards quantum increase of the trade volume as well as for diversifying trade.²

3. The two leaders directed the India-Japan Joint Study Group (JSG), which is to be launched by June 2005, to submit its report within a year, focusing on measures required for a comprehensive expansion of trade in goods, trade in services, investment flows and other areas of economic relations between the two countries. The JSG will also consider the feasibility of the two countries moving towards a liberalized and upgraded framework for economic engagement, including an India-Japan economic partnership agreement. The Policy Dialogue, which was recently launched between the Ministry of Commerce and Industry of India and METI, will be utilised to identify and implement on a priority basis measures required to remove impediments and facilitate closer economic relations. The JSG comprising

2. Meanwhile in a joint statement issued (April 16) at the end of Commerce Minister Kamal Nath's visit to Tokyo for talks with his Japanese counterpart it was agreed to further strengthen dialogue at the Ministerial level in the overall context of "a possibility of a Japan – India Economic Partnership Agreement". It was noted that "trade and investment between Japan and India had stagnated" in almost all fields except information technology. Therefore with a view to "reinforcing the economic relationship between the two countries", the Ministers agreed on an "action plan" for cooperation in the manufacturing industry and interaction as "global partners" in the economic domain. On the global economic issues, the two ministers said: "It is critically important to deepen the dialogue...and strengthen the partnership" between the two countries on the Doha Development Agenda before the Ministerial meeting of the World Trade Organization in Hong Kong next December.

of government ministries, business leaders and academics, may take into account inputs provided by this Policy Dialogue.

4. The Governments of India and Japan will make a special effort, in collaboration with the private sector, to encourage higher levels of investment by Japanese companies in India. They will strengthen technical cooperation to improve the competitiveness of Indian manufacturing industries. The Government of Japan is also prepared to provide every possible support to International Engineering & Technology Fair organized by Confederation of Indian Industry in 2007, exploring the possibility to be a partner country. The Joint Task Force on ICT and the ICT Forum will be utilized to develop a roadmap for increased ICT cooperation, taking into consideration the potential for synergising the advantages of both countries in this field, including the idea of an IT databank.

5. The Government of India highly appreciates the fact that India is the largest recipient of the Japanese Official Development Assistance. The Government of India also notes with appreciation that the Japanese side has committed yen loans of JY 134.5 billion for eight projects in FY 2004, including North Karanpura Super Thermal Power, Delhi Metro and Ganga Action Plan for water purification (Varanasi). It is confirmed that the ODA will continue to be utilised to support India's efforts at accelerated economic development, particularly in priority sectors like infrastructure, including transportation and power, and environment. The Governments of India and Japan agree in principle to resume the Japan Overseas Cooperation Volunteers (JOCVs) scheme in India.

6. Keeping in view the renewed focus of the global partnership and the goal of bringing about a quantum increase in the level of economic engagement, the two sides shared the view that Japan's Special Terms for Economic Partnership (STEP) Scheme could be one of the effective means for carrying out large-scale priority projects in infrastructure sector in India. The two sides confirmed their intention to examine the feasibility of proposals for dedicated multimodal high-axle load freight corridors with computerized train control system on Mumbai-Delhi and Delhi-Howrah routes utilising the STEP Scheme and with the inputs of Japanese technology and expertise.

7. The two Governments will work for improved connectivity between the two countries, including through civil aviation links and shipping links.

Negotiations to revise the existing tax treaty will be concluded at the earliest possible date.

8. **Three, enhanced security dialogue and cooperation:** The two leaders recognize the important roles India and Japan play in tackling regional as well as global security challenges. They reaffirm their desire to further develop dialogue and exchanges between the two countries in the security and defence fields, including through full utilisation of the Comprehensive Security Dialogue, Defence Policy Dialogue and Military-to-Military Talks. Service-to-Service exchanges between defence establishments of the two countries will also be strengthened. Recognising the importance of ensuring the safety and security of international maritime traffic, the two leaders directed the Coast Guards and related agencies of both countries to work together on a sustained basis, including the annual Indian Coast Guard- Japan Coast Guard talks, joint exercises against piracy as well as cooperation through means of information sharing and technical assistance. The Indian Coast Guard and the Japan Coast Guard will commence efforts to establish a framework of effective cooperation. The two leaders, in view of the importance of maritime security, also instructed the Indian Navy and the Maritime Self Defence Force of Japan to enhance their cooperation, including through exchange of views, friendship visits and other similar activities.

9. **Four, Science and Technology Initiative:** India and Japan, as two countries seeking to transform into knowledge-based societies, recognize the importance of science and technology cooperation. The two sides note in particular the areas of their respective strength, and will work together to exploit the enormous potential for cooperation in this field, including in the area of high-technology. They will work together to launch a new Science and Technology Initiative, which will explore possible substantial cooperation in areas such as modern biology, biotechnology and health care, agriculture, hydrocarbon fuels, nano-science and technology, environment, information and communication technology, robotics, alternative sources of energy, etc. The Governments of India and Japan will reinvigorate the India-Japan Joint Committee on Science and Technology Cooperation, the next meeting of which will be held later in 2005, and which will discuss the modalities and implementation of this new Science and Technology Initiative. The two Governments will also step up

cooperation in high technology, including by exploring ways and means to expand high tech trade.

10. **Five, cultural and academic initiatives and strengthening of people-to-people contacts:** The two leaders share the view that greater interaction between the peoples, particularly among the youth, provides a stronger basis for the relationship between the two countries. They also recognize the importance of raising the profile of India in Japan and of Japan in India. They firmly believe that cultural and academic initiatives and stronger people-to-people contacts will create the right environment for the leaders of tomorrow to carry forward the vision of the global partnership, and will build upon the goodwill that exists in the two countries in respect of each other.

11. Accordingly, the Governments of India and Japan will work together to promote Japanese language studies in India, with a target of 30,000 learners at different levels in the next five years, and through measures including the introduction of Japanese language as an optional foreign language in Indian secondary school curriculum. In this regard, the Government of Japan welcomes and encourages the Government of India's initiative to establish Centres of Japanese Studies at Indian universities and institutions where Japanese language is being taught and to set up Japanese language teaching cells in seven Indian Institutes of Technology.

12. The Governments of India and Japan will encourage people-to-people exchanges especially among the younger generation, including through student exchange and the Japan Exchange and Teaching Programme; continue promoting cultural and academic exchanges, which will be regularly reviewed and reinforced through the Mixed Cultural Commissions; develop institutional links between the Indian Council of Cultural Relations and the Japan Foundation; establish a Japan Cultural Centre of the Japan Foundation in New Delhi and an Indian Cultural Centre in Tokyo; develop tourism related infrastructure including the Buddhist pilgrimage circuit in India with Japanese assistance; enhance two-way tourism and in this regard, the Japanese Government will despatch a study mission to India in 2005. The Governments of India and Japan will also introduce a new academic exchange programme involving ten designated educational institutions on either side. The two sides will also make every effort to collaborate towards the development of an Indian Institute of

Technology as well as the Indian Institute of Information Technology for Design and Manufacturing, Jabalpur. The two Governments will also hold a Festival of India in Japan and a Festival of Japan in India in 2007/08 to commemorate the 50th anniversary of the Cultural Agreement between India and Japan.

13. **Six, cooperation in ushering a new Asian era:** The two leaders realize and appreciate the importance of the respective roles and responsibilities of their countries in promoting peace, security and prosperity in Asia. Towards this end, they intend to realise an East Asian Community and work together to promote the vision of an Asian Economic Community as an 'Arc of Advantage and Prosperity'. The Japanese side conveyed its decision to support India's membership in the East Asia Summit and the Indian side expressed its appreciation for the Japanese support. The Governments of India and Japan will also cooperate in combating transnational organised crimes, and work together for disaster mitigation, including earthquake, cyclone and tsunami.

14. **Seven, cooperation in UN and other international organizations:** The two leaders acknowledge the vital importance of the role of the United Nations in world peace, stability, and prosperity, and reaffirm their intention to work together for the early realization of U.N. reforms, particularly Security Council reform. They also stress the importance of revitalization of the General Assembly, as it represents the general will of all Member States, as well as the importance of enhancing the efficiency of the U.N. agencies and organs in the social and economic fields in order to effectively address urgent challenges. In this connection, they stress the importance of taking a decision on Security Council reform before the Summit in September 2005, as the Secretary-General recommended. They note with satisfaction the on-going cooperation between India and Japan, including in the G-4 setting, to bring about reform of the U.N. Security Council, by expanding the membership of both permanent and non-permanent categories, to make the U.N. more representative, more credible and more effective. They reiterate their support for each other's candidature, based on the firmly shared recognition that India and Japan are legitimate candidates for permanent membership in an expanded Security Council. They also stress the importance of moving the process forward through consultation with a wide range of like-minded countries, and decide to strengthen their cooperation for this.

15. The Governments of India and Japan will also expand and enrich their cooperation in other international organizations, including in the WTO. The two Governments will work together to achieve the objectives enshrined in the Doha Work Programme of August 1, 2004. As key players in global economic management, the two Governments support an open, fair, equitable and transparent rule-based multilateral trade system and intend to work together to preserve stability and growth in the global economy.

16. **Eight, responding to international challenges:** Recognizing the threat posed by terrorism and the importance of the international community working unitedly to counter this menace, the Governments of India and Japan will further consolidate their existing cooperation, both bilaterally and in various international fora. The India-Japan Joint Working Group on Counter-Terrorism will hold its first meeting soon to identify possible future areas of cooperation.

17. The Governments of India and Japan will also work as partners against proliferation. While expressing their respective positions on the approaches towards the shared goal of achieving a world free of nuclear weapons, the two Governments affirm that they will seek to promote commonalities and identify areas of convergence for mutual cooperation between them in a constructive manner, contributing to the advancement of overall bilateral relations.

18. The two Governments will also strengthen their energy and environmental cooperation, including on sustainable development and environmentally sound technologies. In doing so, they will ensure increased focus on energy security, energy efficiency, conservation, and pollution-free fuels. They will also cooperate in the hydrocarbons sector in the areas such as exploration and production, and downstream projects including in third countries as well as on improving Asian oil markets and increasing investments in Asian energy infrastructure.



315. Address by External Affairs Minister K. Natwar Singh at the inauguration of the India-Japan Parliamentary Forum.

New Delhi, April 29, 2005.

Fellow parliamentarians,

Hon'ble Masaaki Yamazaki, Dy. Chief Cabinet Secretary, Government of Japan Shri Onkar S. Kanwar, President of Federation of Indian Chambers of Commerce and Industry (FICCI),

Dr. Amit Mitra, Secretary General of FICCI,

Distinguished guests, ladies and gentlemen,

This is an important occasion and that is why I feel honoured and privileged to address this distinguished gathering at the launch of India-Japan Parliamentary Forum. I would take this opportunity to thank my Parliamentary colleagues Shri Ashwani Kumar and Shri Suresh Prabhu for their interest in setting up and presiding over this Forum as Chairman and Co-Chairman respectively. I would also like to commend Federation of Indian Chambers of Commerce and Industry (FICCI) under whose auspices this Forum has been launched. I believe that this is the fifth such Parliamentary Forum it supports.

The launch of the India-Japan Forum at a time when Prime Minister Koizumi is in India, sends out a clear signal about the importance we attach to India-Japan relations at all levels of interaction. This important initiative coincides with the fifth anniversary year of the launch of India-Japan Global Partnership and has come at the perfect time, as relations between the two countries are poised for a new strategic orientation.

India and Japan have enjoyed warm and friendly ties for a long time. This relationship, free of historical or territorial disputes, commenced its long journey some fifteen centuries ago with the arrival in Japan of Buddha's gentle message of love, compassion and universal brotherhood from India. Since then, our friendship has blossomed further, rooted in spiritual affinities, cultural contacts and shared commitment to democratic principles and traditions. In contemporary times, our traditional friendship has continued to provide strength and resilience to our relations. India's

Look East Policy, which was first put into effect soon after Independence, has always included Japan as an important component.

I must admit, however, that there has been a feeling on both sides that despite the fine political ambience in their relations, the two countries have been quite far from fully utilizing the potential of their relationship. Trade and investment has stagnated for many years. Also, the warmth of political relationship has not sufficiently translated into specific areas of cooperation. What then is the outlook?

I am confident about the creative and dynamic future that lies ahead for India-Japan relations. I have no hesitation in saying that the visit of Prime Minister Koizumi provides us one such opportunity to commence a new phase in our relations and to take them qualitatively to a much higher level. A good basis for this already exists in the steady development of bilateral relations in recent years and the profound changes in the international scenario. Today, I believe the India – Japan relationship is at a point where tremendous opportunities beckon, and where the two countries can, together, define the emerging contours of the Asian political and economic landscape. Close cooperation between India, the second largest country in Asia both demographically and geographically as also a rapidly developing economy, and Japan, a major player in Asia and the world and the second largest economy, is a major pre-requisite for the 21st century to become the century of Asia.

I expect that during the discussions Premier Koizumi is going to hold with Prime Minister in a short while from now, the two countries will further expand the boundaries of their cooperation and take steps to concretise their partnership in a number of areas. I will specifically list seven.

First, at political level the two countries must further fortify their cooperation and pursue an all round and comprehensive development of bilateral relations; maintain and strengthen the momentum of high-level exchanges; and fully utilize their dialogue mechanisms as also establish newer ones in areas considered necessary, such as energy security.

Second, both countries have to comprehensively re-energise their economic relations. Around ten years ago, Japan used to be the third or fourth largest trading partner of India, at a time when India's overall exports were at much lower levels and had just begun to grow under the impetus provided by liberalization. Presently, Japan occupies a much lower ranking.

I expect both countries to work out a conscious and well-directed strategy in this regard. A forward step has been taken with the launch of Joint Study Group to undertake a comprehensive review of economic relations and make recommendations on how to strengthen cooperation in trade, investment, services and other areas.

Third, we would like to see Japan become the largest FDI investor in India, in addition to being the largest development partner of India. Japanese investment is still insignificant compared to its total FDI, and very low compared to levels in China, and even in South East Asian countries. The economic reforms in India have thrown up significant opportunities for investment in power, urban transport, development of ports and inland waterways, road and airport construction, food processing and other sectors. Japan, with its financial strength and technological capability should take the lead in translating opportunities into concrete projects as symbols of cooperation. Indian business on their part will have to demonstrate their readiness to work together with Japanese business houses.

Fourth, there is enormous scope for innovatively utilising the ODA from Japan for the economic development of India, particularly in the infrastructure area. It is no coincidence that India is, for a second consecutive year, the largest recipient of Japanese ODA. Both sides are exploring the possibilities of cooperation in execution of major infrastructure projects to be undertaken with Japanese ODA and with the inputs from Japanese technology and expertise that could become visible symbols of Global Partnership between the two countries.

Fifth, time has come to explore and significantly expand cooperation in energy, S &T, environment, IT, culture, education and other such areas. Both Japan and India enjoy respective strengths. The two countries can co-operate in joint exploration and development of oil and gas fields in third countries, and engage in a dialogue touching on energy security issues, also focusing on energy conservation and environmentally sound technologies. I believe working together, we can maximise our potential in this promising area. Cooperation in IT sector has registered important progress but is only a fraction of the existing potential. Also, high-technology trade is another area where we could synergise our capabilities.

Sixth, in the area of security and defence exchanges, there is scope for further development and intensification. Both sides share the goal of ensuring maritime security, and the two Navies and Coast Guards can step

up their cooperation, including through joint exercises, port visits, etc.

Lastly, the two countries can further intensify their cooperation on regional and global issues. In the context of our inter-linked destinies as Asian nations and in view of our renewed partnership, it is important to note that Japan has conveyed its support for India's membership of the East Asia Summit. The two countries are also already agreed on realising an East Asian Community, which could release tremendous creative energy of the peoples of this region. Also, both India and Japan support each other for the permanent membership of an expanded UN Security Council and are agreed to further strengthen their cooperation to realise this. Moreover, the two countries are committed to working together in other international and regional fora and institutions.

Ladies and Gentlemen,

Parliament mirrors a nation, its people, culture and civilisation. It is only fitting that our parliamentarians should carry on the tradition and maintain close and regular contacts with each other. The last couple of years have seen a number of Japanese parliamentarians visiting India. Our Speaker led a parliamentary delegation to Japan in November last year. Given the fact that the two countries share long-term fruitful relationship, an institutionalised parliamentary linkage was very much required. Enhanced interaction between the two parliaments would facilitate better understanding and develop mutual trust between the lawmakers. The Forum that has been established today is a visible expression of our deepening engagement with Japan and would provide a platform for structured dialogue and continuous interaction between the Parliamentarians of the two countries.

India and Japan have to be partners in progress. The new Asian era provides fresh opportunities to India and Japan for enhanced engagement for mutual benefit. Close cooperation between the two countries, both on bilateral and international fronts, through broadening and deepening of our global partnership will be an important factor for peace, stability and progress in Asia and beyond. I have no doubt that the India-Japan Parliamentary Forum will play an important role in the process of reinforcing the focus of global partnership between the two countries and also facilitating comprehensive all round development of our relationship. I wish you all success in this endeavour.



316. Response of the Official Spokesperson to a question on reported statement by Japanese Ambassador¹ to India about a labour dispute in a factory in Gurgaon.

New Delhi, July 26, 2005.

An isolated incident involving a labour dispute should not become a benchmark for judging the investment climate in India.

The country's democratic institutions and its legal system provide an effective mechanism to deal with such incidents in a transparent manner.

The legal interest of foreign investors will be fully safeguarded.¹



1. The Spokesperson was reacting to the remarks made by the Japanese Ambassador on the labour unrest in one of the Japanese automobile manufacturing companies located in Delhi's suburb of Gurgaon. He had remarked that the labour trouble could scar India's image and hurt foreign direct investment flow from Japan. "This is negative for India's image as an FDI destination and will also give the Japanese management a bad image," Ambassador Y. Enoki said. On July 27 Minister of Commerce and Industry emphasized that "the incident in Gurgaon would not in any way affect investor confidence, as this was an isolated and local incident." He assured the investors, both existing and potential, that India continues to be a safe and investor-friendly country with tremendous potential for growth. Talking about Japanese investment in India, the Commerce Minister recalled that India and Japan "have longstanding trade and investment relations. Japan is the fourth largest investor in India, with US\$ 2 billion equity investment made in India since 1991. 250 Japanese companies are present in about 300 locations, all over India and are engaged in a variety of economic activities. There are many joint ventures in India between leading Japanese and Indian companies. Suzuki's joint venture with Maruti, located in Haryana, is one such example of a very successful Indo-Japanese collaboration."

317. Joint Statement issued during the visit of Minister of Petroleum and Natural Gas Mani Shankar Aiyer to Tokyo.

Tokyo, September 29, 2005.

1. H.E. Shri Mani Shankar Aiyar, Minister of Petroleum & Natural Gas of India and, H.E. Mr. Shoichi Nakagawa, Minister of Economy, Trade and Industry of Japan, held a meeting in Tokyo on Thursday, 29 September 2005 with a view to accelerating, deepening and widening cooperation between India and Japan in the hydrocarbons sector.

The two Ministers recalled their very fruitful initial meeting in New Delhi in January 2005. They also noted that the visit to India by H.E. Prime Minister Junichiro Koizumi in April 2005 had placed the Indo-Japanese energy dialogue in the larger context of the evolving Japan-India Global Partnership, which aims at “promoting the vision of an Asian Economic Community as an Arc of Advantage and Prosperity”. They noted with satisfaction that in pursuit of the Eight-fold Initiative launched by the Prime Ministers of the two countries, in particular paragraph 18 thereof relating to the hydrocarbons and energy sector, the inaugural meeting of the Working Group on cooperation in oil and gas had laid sound foundations for further practical work on the ground. The two Ministers stressed the need for expeditious implementation of the recommendations of the Working Group and shared the view that the Working Group would meet at least twice during 2006 to give further impetus to the process of cooperation and the Ministers meet at least once next year to keep the proceedings of the Working Group under Ministerial review.

2. The Indian Minister conveyed to his Japanese counterpart the importance attached by India to expanding its knowledge-base in geology and geophysics and in the area of exploration and production in the country, and sought Japanese cooperation in promoting these capabilities in India. The two Ministers expressed their intention that in addition to scientific and technological cooperation in oil and gas, their mutual R&D cooperation would extend to related areas of energy such as coal bed methane, underground coal gasification and other unconventional fuels such as hydrogen, bio-fuels and gas hydrates and shared the view that relevant research and academic institutions in both countries should be encouraged and facilitated

to network with each other to promote greater mutual understanding of the global political economy in the hydrocarbons sector.

3. The two Ministers expressed their determination to pursue the following Plan of Action:

- (i) Encouraging Japanese companies with such assistance as possible from the Japan Oil and Gas Metals National Cooperation (JOGMEC) to develop Exploration and Production (E&P) opportunities in India, including, but not limited to services and technology areas;
- (ii) exchange of information and experience on commercial and strategic stockpiling of crude oil;
- (iii) promoting Japanese-Indian ventures in the E&P sector in third countries: in this context, they will explore the prospects of such cooperation in Canada, Australia, West Asia (Middle East), West and Central Africa, Russia (including Sakhalin) and Central and South East Asia, taking into account the increasing tendency by the oil and gas producing countries to pursue broader economic ties with investing countries. Bearing these possibilities in mind, they welcomed the pursuit of a possible Memorandum of Understanding between ONGC Videsh Limited (OVL) and JOGMEC;
- (iv) examining the possibility of "swap" arrangements based on the convenience of geographical proximity;
- (v) promoting cooperation in heavy oils amongst entities of both countries;
- (vi) coordinating and mutually reinforcing R&D in gas hydrates through encouraging cooperation between the Indian Directorate General of Hydrocarbons and their Japanese counterpart, as well as cooperation between GAIL India and counterpart Japanese industries for the transportation of gas as synthetic hydrates, including examining the feasibility of transportation from isolated marginal fields;
- (vii) undertaking joint research and study between a Japanese organization and counterpart Indian organizations such as the Petroleum Planning and Analysis Cell (PPAC), the Energy and

Research Institute, New Delhi (TERI) and the University of Petroleum and Energy Studies, Dehra Dun, on developing an Asian crude oil and petroleum products market and measures to stabilize the Asian oil market.

4. The two Ministers noted the importance of investment in each other's countries in the hydrocarbons and related sectors. In this context, noting the significant advances made by India in the export of petroleum products, the Indian Minister invited the Japanese Minister to consider promoting investment in India in export-oriented refineries in India as well as in such projects as the development of a petrochemicals hub at Haldia.
5. Bearing in mind that energy conservation and energy efficiency are important elements in the promotion of the energy interests of the two countries, and, keeping in view of Japan's impressive record in these fields, the two countries shared the view that cooperation and networking are essential between the relevant institutions of the two countries, in the public, quasi-public and private sectors. They expressed their intention to work together to promote integrated energy conservation and energy efficiencies in India through the ESCO (Energy Service Companies) model. The Petroleum Conservation and Research Association (PCRA) of India has been nominated by the Indian Minister as the nodal agency to work with its counterpart Japanese institutions for this purpose.
6. The two Ministers stressed the importance of energy security as a crucial component of international peace and security. While underlining the need for exchange of information and coordination of positions in all international fora dealing with energy-related issues including energy security, the two Ministers stressed the importance of the International Energy Forum (IEF) as a platform to promote global cooperation and dialogue, and directed their delegations to coordinate closely with each other to pursue the interests of both countries through the preparation of joint studies and to work together for the success of the IEF Ministerial Conference in Doha in April 2006.
7. Highlighting the key importance of the paradigm shift in global oil trade which has seen Asia emerging as both the principal source of hydrocarbons and the fastest growing region in demand for crude oil and gas, the two Ministers shared their views that the outcome of the study as set out in paragraph 3.(vii) above would be a valuable asset to be shared with IEF member countries,

8. The two Ministers also noted the importance of exchange of information between the two countries in regard to LNG imports, particularly with respect to the need for flexibility in contractual obligations pertaining to quantity and price.

9. The Indian Minister reiterated to his Japanese counterpart his invitation to the Japanese Minister to visit India to attend the Round Table of North and Central Asian oil-producing countries with the Ministers of major Asian oil-consuming countries, including Japan. This Round Table is scheduled to be held in New Delhi on 25 November 2005. The Japanese Minister, expressing his thanks to the Indian Minister for the valuable intra-Asian dialogue initiated at the Round Table in New Delhi in January 2005, confirmed Japanese participation at the forthcoming conference and said that he would positively examine the possibility of making it at Ministerial-level.

10. The Indian Minister conveyed his deep gratitude to his Japanese counterpart for the courtesy and hospitality extended to him and his delegation during his short visit to Tokyo. The Japanese Minister invited the Indian Minister to make a longer visit to Japan after the November Round Table in New Delhi so that various aspects of bilateral cooperation in the hydrocarbons and related sectors could be examined in greater detail. The Indian Minister accepted this gracious invitation. It was noted that the dates of the visit would be finalized through diplomatic channels.

Tokyo, 29 September 2005

(Mani Shankar Aiyar)
Minister of Petroleum and Natural Gas,
India

(Shoichi Nakagawa)
Minister of Economy,
Trade and Industry, Japan



318. Media briefing by Official Spokesperson on Joint Statement between India and Japan on cooperation in Energy Sector.

New Delhi, September 30, 2005.

- Japan and India have agreed on comprehensive cooperation in the energy sector. Minister of Petroleum and Natural Gas Mr. Mani Shankar Aiyar and Japan's Minister of Economy, Trade and Industry Shoichi Nakagawa signed a Joint Statement in this regard on September 29 in Tokyo. This is Japan's first comprehensive energy cooperation agreement with any country.
- The two Ministers agreed that the Working Group on Energy Cooperation which held its first meeting in New Delhi earlier this month will meet at least twice and the Ministers will meet at least once in 2006 to give further impetus to bilateral energy cooperation.
- The signing of the Joint Statement marks an important step in the ongoing India-Japan Energy dialogue in the larger context of our evolving "Global Partnership". It paves the way for the two countries to work closely in all regional and international fora dealing with energy-related issues.
- Mr. Mani Shankar Aiyar invited the Japanese Minister to attend the forthcoming Round Table of North and Central Asian oil-producing countries with the Ministers of major oil-consuming countries to be held in New Delhi on November 25, 2005.



319. Meeting of Prime Minister Dr. Manmohan Singh with the Japanese Prime Minister Junichiro Koizumi on the sidelines of the East Asia Summit.

Kuala Lumpur, December 13, 2005.

According to media reports civilian nuclear programme figured in the bilateral talks Prime Minister Dr. Manmohan Singh had with the Japanese Prime Minister Junichiro Koizumi in Kuala Lumpur on December 13. Prime Minister thanked his counterpart for Japan's support for India becoming a full partner in the International Thermonuclear Research Reactor project. The Indian and Japanese Prime Ministers meeting for the fifth time in the past 18 months agreed to "remain engaged" in continuing their coordination through the G – 4 (which includes Brazil and Germany) on the plan for U. N. Security Council expansion. Secretary (East) Rajiv Sikri said Dr. Singh accepted Mr. Koizumi's invitation to visit Japan next year. Japanese Foreign Minister Taro Aso would travel to New Delhi early new year. The report of the Joint Study Group constituted by India and Japan on enhancing economic and trade links would be ready in the next two months. The Japanese side reiterated its commitment to the high-speed railway freight corridor, agreed during Prime Minister Koizumi's visit to New Delhi in April. The Japanese Prime Minister told Dr. Singh that Tokyo welcomed India's participation in the inaugural East Asian Summit. He said the two countries were still to exploit the latent potential in bilateral relationship. "The time is right to enhancing our relations," Mr. Koizumi was quoted as telling Dr. Singh during the 30-minute meeting. Prime Minister told Mr. Koizumi that India had no problem with Japan. "There is a political consensus in India for having good relations with Japan," he told the Japanese leader.



KOREA

320. Media briefing by Official Spokesperson on the transit visit of External Affairs Minister K. Natwar Singh to Republic of Korea.

New Delhi, June 1, 2005.

Official Spokesperson:

On the way to Vladivostok External Affairs Minister had stopped at Seoul, Republic of Korea, where he had a 45-minute meeting with the Foreign Minister of the ROK, Mr. Ban Ki Moon. During this meeting they essentially reviewed the bilateral relations between the two countries particularly in the context of the State visit of Mr. Roh Moo-Hyun, President of the ROK in October last year? The understandings that have been arrived at and the need to finalize these understandings and reach concrete results. In particular it was mentioned that the Korean Foreign Minister would be coming to India for the Joint Commission Meeting soon. Also, the two sides looked forward to the early finalization of the negotiations on the 12 million metric tonnes integrated steel project, which is to come up in Paradip in Orissa. When it happens it is likely to be the largest FDI project in India with possibility of investment of USD 10 billion. The Korean partner is the Korean steel conglomerate POSCO. Other issues reviewed included UN reforms and the situation on the Korean Peninsula.

Question: Did the Korean side say anything on the UN reforms? Is the POSCO deal ready to be signed? There are some reports that it is being held up.

Answer: On the first issue I do not have a very detailed read out on the meeting. I just got it on the phone. What I understand is that they had a good exchange of views on the status of the reforms and the status of the particular reform of the UN Security Council. I do not have anything more concrete than that. On the second, what I understood is that both sides are looking forward to coming to an early finalisation of these negotiations. So, I did not note that there was anything negative in that. I think it was a very positive assessment of the discussion. It is also mentioned in the Joint Statement that we have where it says that we agree to strengthen

cooperation in the field of Iron and Steel manufacturing, noting in this context the proposal by Korean company POSCO for a large scale integrated Iron and Steel Project.



321. Agreement between the Government of the Republic of India and the Government of the Republic of Korea on Mutual Waiver of Visa Requirements for Holders of Diplomatic and Official Passports.

New Delhi, August 1, 2005.

The Government, of the Republic of India and the Government of the Republic of Korea (hereinafter referred to as “the Contracting Parties”),

Desiring to further strengthen and develop the friendly relations between the two countries,

Have agreed as follows:

Article 1

Nationals of the Republic of India and the nationals of the Republic of Korea, holding valid diplomatic or official passports issued by the competent authorities of their countries, shall be exempt from the necessity of obtaining the relevant visa to enter and stay in the territory of the other Contracting Party for a period not exceeding ninety (90) days.

Article 2

1. A national of either Contracting Party, who is assigned to the diplomatic or consular mission in the territory of the other Contracting Party, and is in possession of a valid diplomatic or official passport, shall not be required to obtain a visa to enter the territory of the other Contracting Party, and shall be granted, on request from the diplomatic/consular mission concerned, within ninety (90) days of his/her arrival, visa for the period of his/her official stay.

2. A national of either Contracting Party, being the representative of his/her country in an international organization located in the territory of the

other Contracting Party and holding valid diplomatic or official passport, shall enjoy the rights mentioned in paragraph 1 of this Article.

3. The facilities enumerated in paragraph 1 and 2 of this Article shall also apply to the spouse of a member of the diplomatic mission or consulate or an employee of international organizations and their children, provided they hold diplomatic or official passports.

Article 3

Except for those referred to in Article 2, nationals of either Contracting Party holding valid diplomatic or official passports, who intend to stay more than ninety (90) days in the territory of the other Contracting Party, may enter the territory of the other Contracting Party without a visa, and should apply for appropriate visa to the other Contracting Party within 90 days of their arrival.

Article 4

The waiver of visa requirements under this Agreement does not exempt the holders of the above-mentioned passports from observing the laws and regulations in force in the territory of the other Contracting Party regarding the entry into, stay in, transit through and exit from its territory.

Article 5

If a national of one Contracting Party loses his/her passport in the territory of the other Contracting Party, he/she shall inform the authorities concerned of the host country, for appropriate action. The diplomatic Mission or Consulate concerned will issue a new passport or travel document to its national and inform the concerned authorities of the host Government.

Article 6

Each Contracting Party reserves the right to refuse the entry and stay in its territory of any person whom it may consider undesirable under its laws and regulations. Such refusal shall be notified to the other Contracting Party through diplomatic channels.

Article 7

Either Contracting Party may suspend the application of the

provisions of this Agreement, in whole or in part, for reasons of security, public health or law and order. Any suspension, or the lifting thereof, shall be notified to the other Contracting Party without delay through diplomatic channels and shall come into force on the date the notification is received.

Article 8

1. The Contracting Parties shall exchange specimens of their currently valid diplomatic and official passports through diplomatic channels before the entry into force of this Agreement.
2. When one Contracting Party introduces new diplomatic or official passports or modifies its existing passports, that Contracting Party shall provide the other Contracting Party specimens of the new passports through diplomatic channels at least thirty (30) days before they become effective.

Article 9

This Agreement shall enter into force on the day of an exchange of diplomatic notes confirming that all legal procedures of each Contracting Party necessary for its entry into force have been completed. This agreement shall remain in force for an indefinite period and may be terminated by either Contracting Party by notification through diplomatic channels, which shall enter into force ninety (90) days after the date of such notification.

In Witness Whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on this first day of August in the year 2005 in two (2) originals; in Hindi, Korean and English languages, all texts being equally authentic. In the event of any divergence of interpretation, the English text shall prevail.

For the Government of
The Republic of India

For the Government of
The Republic of Korea



322. Briefing points by Official Spokesperson on call by Foreign Minister of Republic of Korea Ban Ki-Moon¹ on Prime Minister Dr. Manmohan Singh.

New Delhi, August 2, 2005.

- Meeting lasted for about 35 minutes
- It was very friendly, warm and cordial meeting
- PM and FM of ROK positively assessed the trends in bilateral relations after visit of President Roh to India last year
- Dynamic growth has been observed in all sectors, including economic relations, commercial relations, defence, security, science and technology, investment (POSCO project)
- PM stressed that India attaches highest priority to deepening and widening relations with ROK
- FM of ROK repeatedly invited PM to visit ROK. Expressing admiration for ROK's transition from a developing to a developed country Prime Minister accepted the invitation in principle
- It was suggested that PM and President Roh could meet on the margins of the East Asia Summit in December this year
- FM of ROK also briefed PM on inter-Korean dialogue as well as on the six-party talks.



1. The South Korean Foreign Minister was on a visit to New Delhi to attend the meeting of the India- ROK Joint Commission. The Joint Commission had a comprehensive agenda and the two foreign ministers signed an agreement on visa exemption for diplomatic and official passport holders besides signing the agreed minutes of the fourth Joint Commission meeting. "The ministers conveyed strong political commitment on both sides to build on the current momentum. Both sides are determined to bring about a quantum increase in their economic engagement and the report of the Joint Study Group expected by October 2005, will provide useful inputs in this process" said the spokesperson of the Ministry of External Affairs.

323. Reaction of Government of India to Six-party talks on Korea.**New Delhi, September 20, 2005.**

In response to a question, the Official Spokesperson said:

“We are encouraged by the outcome of the latest round of Six-Party Talks on Korea that concluded in Beijing yesterday. We hope that this would help in arriving at a peaceful, negotiated solution to the outstanding issues.”

**MONGOLIA****324. Press release of the Ministry of External Affairs containing excerpts from messages exchanged between the leaders of India and Mongolia to celebrate 50th anniversary of the establishment of diplomatic relations between the two countries.****New Delhi, December 23, 2005.**

The Presidents and Prime Ministers of India and Mongolia have exchanged messages of congratulations and greetings on the 50th anniversary of the establishment of diplomatic relations between the two countries.

Following are the excerpts from the messages:

Message from Prime Minister Dr. Manmohan Singh

India and Mongolia are two ancient civilisations whose spiritual and cultural bonds go back into history. I am happy that regular exchanges between us have contributed to the strengthening of our traditionally friendly ties. Looking to the future, I am confident that our cooperation will continue to grow.

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1. External Affairs Minister Natwar Singh when he met the Russian and Chinese Foreign Ministers in New York on the same day also took the opportunity to congratulate them on the successful outcome of the six-party talks on the North Korean nuclear issue and applauded the role played by them.

Mongolia's progress in building and strengthening democratic traditions and institutions, and in its economic and developmental achievements has been admirable. India, as a close friend, would like to see Mongolia flourish and prosper, and would be happy to contribute towards this process.

I am glad that a large number of activities have been organised to celebrate the 50th Anniversary of our diplomatic relations. These reflect our desire to enlarge and reinforce our age-old ties.

Given the mutual goodwill that exists in our two countries, I am confident our relations will attain greater vibrancy in years to come.

Letter from President Dr. A.P.J. Abdul Kalam to Mr. Nambar Enkhbayar, President of Mongolia

India and Mongolia have enjoyed a long tradition of friendly relations. Our cultural, spiritual and literary exchanges go back many millennia. The Mongolian texts of Khanjuur and Danjuur are a testimony to the deep bonds which exist between us. It was natural that soon after our independence Prime Minister Jawaharlal Nehru took the initiative to formalise our age-old ties by establishing diplomatic relations with Mongolia.

It gives me great pleasure that our friendship has grown over the last 50 years. Your highly successful visit to India in January 2004 as Prime Minister of your great country took our relations to new high. I am confident that given the strong foundation on which our relationship rests, and the depth of mutual goodwill which exists in our two countries, our relationship will continue to grow and flourish.

Message from Mr. Tsakhiagyn Elbegdorj, Prime Minister of Mongolia

India was the first non-socialist country to recognise Mongolia's independence and the people of Mongolia even today recall with gratitude the contribution made by India to the cause of obtaining a full-fledged membership of the United Nations by our country.

Bonds between the people of Mongolia and India are ancient and have centuries' old traditions and the Mongolians are used to regard the Indian people as their spiritual neighbours. There are many historical and cultural documents on interconnections between the two countries dating

back to many centuries preserved in our country and among them are the famous treasure books of Ganjuur and Danjuur.

We do follow with a great sense of admiration the vigorous development and achievements that India has been enjoying in recent years and we believe that there is an avenue for the development and strengthening of bilateral cooperation in the sphere information technology, education and culture.

Letter from Mr. Nambar Enkhbayar, President of Mongolia to President Dr. A.P.J. Abdul Kalam

Mongolian and Indian people have ancient ties going back to many thousand years. We highly appreciate enormous contribution made by India to recognise our independence and to enable Mongolia to join the world community as a full-fledged member of the UN. We are greatly satisfied with the fact that traditional friendly ties existing between the two countries have further strengthened in recent years, having expanded and developed to the level of partnership.



325. Press release of the Ministry of External Affairs on the official visit of Minister for Foreign Affairs of Mongolia Ts. Munh-Orgil.

New Delhi, December 23, 2005.

The Minister for Foreign Affairs of Mongolia Mr. Ts. Munh-Orgil, accompanied by his spouse, is paying an official visit to India from December 22 to 27, 2005. His visit coincides with the 50th anniversary of the establishment of diplomatic relations between India and Mongolia, which falls on December 24, 2005. Foreign Minister Munh-Orgil held delegation-level talks with Minister of State for External Affairs, Shri E. Ahamed at Hyderabad House this evening. Earlier in the day, he called on the President, the Defence Minister and the National Security Adviser. He will be calling on the Prime Minister tomorrow morning. Yesterday evening, the visiting dignitary attended a meeting organized by FICCI and visited a BPO centre in Gurgaon. He will also visit Agra, Kolkata and Bodh Gaya.

During his talks with the Minister of State for External Affairs, the two Ministers made a very positive assessment of the present status of the relations between India and Mongolia, which are most friendly, cordial and trouble-free. They expressed satisfaction that the 50th year of the establishment of diplomatic relations has been marked in a befitting manner and that the bilateral relations have witnessed a fresh momentum in the recent past. Mongolia reiterated its support for India's candidature for permanent membership of the UN Security Council.

The two Ministers signed the following agreements after their talks:

- i. Agreement on Mutual Waiver of Visa Requirements for Holders of Diplomatic and Official Passports;
- ii. Programme of Cooperation in the field of Culture for the years 2006-2008;
- iii. Memorandum of Understanding on Cooperation to establish an India-Mongolia Friendship Agropark in Darkhan Uul Aimag, Mongolia; and
- iv. Agreement on Leasing of Indian Chancery Premises in Ulaanbaatar.

During the talks, both sides agreed in principle to launch a new joint project for the establishment of a satellite-based e-network for tele-education and tele-medicine in Mongolia to mark the 50th anniversary of the establishment of diplomatic relations. This project will involve consolidation and optimal utilisation of the three assets which have already been created in Mongolia with the Indian support in human resource development and information technology, that is, the Rajiv Gandhi Vocational Training Centre, the Atal Bihari Vajpayee Centre for Excellence in Information and Communication Technology and the India-Mongolia Joint Higher Secondary School **1**. It is proposed to do this through their inter-networking, their further development into learning centres and the establishment of satellite connectivity between them and reputed Indian Institutional content providers in the fields of English language, Information Technology, Distance Education and Tele-Medicine. A speciality hospital in the Mongolian capital, Ulaanbaatar will be linked through satellite with a speciality hospital in Hyderabad. The Telecommunications Consultants India Limited (TCIL) have been tasked to prepare a detailed project report on the project by May 2006

for the consideration of the two Governments, which will undertake the project on the basis of shared responsibility.

As part of the celebrations to mark the 50th anniversary of diplomatic relations, the two Ministers released a commemorative volume. An important boulevard in Ulaanbaatar has been named as "Mahatma Gandhi Street". At a ceremony tomorrow morning, the visiting Foreign Minister and the Chief Minister of Delhi will unveil a plaque naming a street leading to the domestic airport in New Delhi as "Ulaanbaatar Street".

Both sides agreed to strengthen cooperation in the field of agriculture by signing an MOU for the establishment of an India-Mongolia Friendship Agropark for Research and Demonstration. The two Ministers also decided to continue cooperation in the areas of solar electrification in rural areas of Mongolia, digitalization of precious Buddhist manuscripts preserved at Mongolia's State Library and reinforce cultural links through the establishment of a Chair of Buddhist and Sanskrit Studies in the National University of Mongolia.

India offers Mongolia over 90 training and scholarship slots through ITEC and ICCR, for training in various technical, vocational and academic disciplines, and for pursuing studies in the Hindi language.

Both countries have signed the Treaty of Friendly Relations and Cooperation in 1994, and this has provided a solid foundation for further development of bilateral relations and cooperation on regional and international relations in the years since. In view of the rapidly developing close and cordial ties between the two countries, the two sides agreed to elevate their relations to a new level of partnership during the visit of then Prime Minister (presently President) N. Enkhbayar in January 2004. The Minister of State, Shri E. Ahamed visited Mongolia in June this year to

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1. At a special function held in New Delhi on December 24, an important road in New Delhi leading to the domestic airport was named "Ulan Bator Road". The Chief Minister of Delhi Sheila Dikshit joined Mongolian Foreign Minister in unveiling the plaque to commemorate the occasion.
India has helped set up the following three institutions in Ulaanbaatar, Mongolia: (i) Rajiv Gandhi Vocational Training Center with over 1200 students; (ii) Atal Bihari Vajpayee Centre for Excellence in Information and Communication Technology, which is connected with National Informatics Centre, New Delhi via VSAT and to the capitals of 16 provinces (Aimags) of Mongolia through fibre optic links; and (iii) India-Mongolia Joint Higher Secondary School with more than 500 students.

attend the swearing-in ceremony of President Enkhbayar. Defence Minister of Mongolia, Ts. Sharavdorj visited India from December 4 to 10, 2005, when the two sides decided to further expand their defence exchanges, including through annual joint exercises.



326. Agreement between the Government of the Republic of India and the Government of Mongolia on Mutual Waiver of Visa Requirements for Holders of Diplomatic and Official Passports.

New Delhi, December 23, 2005.

The Government of the Republic of India and the Government of Mongolia (hereinafter referred to as “the Contracting Parties”),

Desiring to further strengthen and develop the friendly relations between the two countries,

Have agreed as follows:

Article 1

Nationals of the Republic of India and the nationals of Mongolia, holding valid diplomatic or official passports issued by the competent authorities of their countries, shall be exempt from the necessity of obtaining the relevant visa to enter and stay in the territory of the other Contracting Party for a period not exceeding ninety (90) days.

Article 2

1. A national of either Contracting Party, who is assigned to the diplomatic or consular mission in the territory of the other Contracting Party, and is in possession of a valid diplomatic or official passport, shall not be required to obtain a visa to enter the territory of the other Contracting Party, and shall be granted, on request from the diplomatic/consular mission concerned, within ninety (90) days of his/her arrival, visa for the period of his/her official stay.

2. A national of either Contracting Party, being the representative of

his/her country in an international organization located in the territory of the other Contracting Party and holding valid diplomatic or official passport, shall enjoy the rights mentioned in paragraph 1 of this Article.

3. The facilities enumerated in paragraph 1 and 2 of this Article shall also apply to the spouse of a member of the diplomatic mission or consulate or an employee of international organizations and their children, provided they hold diplomatic or official passports.

Article 3

Except for those referred to in Article 2, nationals of either Contracting Party holding valid diplomatic or official passports, who intend to stay more than ninety (90) days in the territory of the other Contracting Party, may enter the territory of the other Contracting Party without a visa, and should apply for appropriate visa to the other Contracting Party within 90 days of their arrival.

Article 4

The waiver of visa requirements under this Agreement does not exempt the holders of the above-mentioned passports from observing the laws and regulations in force in the territory of the other Contracting Party regarding the entry into, stay in, transit through and exit from its territory.

Article 5

If a national of one Contracting Party loses his/her passport in the territory of the other Contracting Party, he/she shall inform the authorities concerned of the host country, for appropriate action. The diplomatic Mission or Consulate concerned will issue a new passport or travel document to its national and inform the concerned authorities of the host Government.

Article 6

Each Contracting Party reserves the right to refuse the entry and stay in its territory of any person whom it may consider undesirable under its laws and regulations. Such refusal shall be notified to the other Contracting Party through diplomatic channels.

Article 7

Either Contracting Party may suspend the application of the provisions of this Agreement, in whole or in part, for reasons of security, public health or law and order. Any suspension, or the lifting thereof, shall be notified to the other Contracting Party without delay through diplomatic channels and shall come into force on the date the notification is received.

Article 8

1. The Contracting Parties shall exchange specimens of their currently valid diplomatic and official passports through diplomatic channels before the entry into force of this Agreement.
2. When one Contracting Party introduces new diplomatic or official passports or modifies its existing passports, that Contracting Party shall provide the other Contracting Party specimens of the new passports through diplomatic channels at least thirty (30) days before they become effective.

Article 9

This Agreement shall enter into force on the 30th day after signature.. This agreement shall remain in force for an indefinite period and may be terminated by either Contracting Party by notification through diplomatic channels, which shall enter into force ninety (90) days after the date of such notification.

In Witness Whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on this 23rd day of December in the year 2005 in two (2) originals; in Hindi, Mongolian and English languages, all texts being equally authentic. In the event of any divergence of interpretation, the English text shall prevail.

For the Government of
the Republic of India

For the Government of
Mongolia



MYANMAR

- 327. Joint Press statement (Trilateral between Minister for Energy of Myanmar, Minister of Energy and Mineral Resources of Bangladesh and Minister of Petroleum and Natural Gas of India) regarding export of Gas from Myanmar to India through a pipeline *via* Bangladesh.**

Yangon, January 13, 2005.

Please See Document No. 101.



- 328. Press release of the Ministry of External Affairs on the first meeting of India-Myanmar Consultative Group on Non-Traditional Security Issues.**

New Delhi, February 11, 2005.

The first meeting of the India-Myanmar Consultative Group on Non-Traditional Security Issues was held in New Delhi on February 10-11, 2005.

The Indian delegation for the consultations was led by Ms. Meera Shankar, Additional Secretary, Ministry of External Affairs and the Myanmar delegation was led by Mr. U. Win Mra, Director General, International Organisations and Economic Department of the Ministry of Foreign Affairs. The two delegations comprised of representatives of the Ministry of External Affairs as well as other relevant Ministries and agencies.

The delegations exchanged views on the security situation in their immediate neighbourhood. They agreed to strengthen bilateral cooperation in the field of non traditional security issues, including counter-terrorism through exchange of information and intelligence, capacity building, mutual legal cooperation, etc. and joint efforts to curb illegal trafficking in drugs and psychotropic substances as well as small arms and light weapons.

Myanmar offered to host the second meeting of the Consultative

Group in Yangon. Dates for the meeting will be determined through diplomatic channels.

Director General U Win Mra called on Shri Shyam Saran, Foreign Secretary before his return to Myanmar.



329. Press release of the Ministry of External Affairs on the visit of External Affairs Minister K. Natwar Singh to Myanmar.

Yangon, March 24, 2005.

Shri K. Natwar Singh, Minister of External Affairs of India, accompanied by Mrs. Hem Natwar Singh, arrived in Yangon this morning on a 3-day official visit to Myanmar at the invitation of the Minister for Foreign Affairs of Myanmar, U Nyan Win. They were received at the airport by Minister U Nyan Win, his wife, Daw Myint Myint Soe, and senior officials of the Government of the Union of Myanmar¹.

2. On arrival in Yangon, the Indian Foreign Minister remarked that he was looking forward to discussions with the Myanmar leadership and expressed confidence that his visit would impart renewed impulse to bilateral cooperation.²

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1. A Press release of the Ministry of External Affairs issued on March 23 announcing the visit of the Minister said that the "visit takes place against the backdrop of a highly successful State visit to India by Myanmar's Head of State, Senior General Than Shwe in October 2004", and was aimed at carrying forward the on-going high-level dialogue between India and Myanmar. Regarding the agenda of the visit the Press release said he would "hold wide-ranging discussions with his counterpart U. Nyan Win, spanning the entire gamut of bilateral issues-India's security concerns in the North-East, cross-border infrastructure development projects, in particular the Kaladan multi-modal transport project and the India-Myanmar-Thailand Trilateral Highway, and energy cooperation including the proposed India-Bangladesh-Myanmar gas pipeline and the Tamanthi Hydro-electric Power project". Apart from a review of bilateral relations, the release said "the visit shall provide an opportunity to discuss regional and global issues of mutual interest." Describing Myanmar "an important neighbour with which India enjoys friendly relations" it said that Myanmar is the only ASEAN country sharing a land border with India, and "it is a bridge between South and South East Asia and our gateway to ASEAN."
 2. Indian Ambassador in Myanmar R. K. Bhatia told the media at the end of the talks on March 27 that the two countries had reached a "closer political understanding that would be reflected in diverse sectors of the bilateral relationship." He said : "The visit led to concrete results in

3. This visit to Myanmar by the External Affairs Minister of India is taking place after a gap of nearly three years. While in Yangon, Shri K. Natwar Singh will call on Senior General Than Shwe, Chariman of the State Peace and Development Council and Prime Minister Lt. Gen. Soe Win. He will also hold discussions with his counterpart, U Nyan Win, covering a wide range of issues pertaining to the bilateral India-Myanmar relationship. The Ministers will also exchange views on regional and sub-regional issues of mutual interest.

4. On 26th March, Shri K. Natwar Singh will travel to Mandalay, where he is scheduled to interact with the local Indian community. The External Affairs Minister, Mrs. Singh, and the Indian delegation will leave Yangon on 27th March.

5. Shri K. Natwar Singh, then Minister of State for External Affairs, had visited Myanmar in December 1987 as a member of the delegation of Prime Minister of India, Shri Rajiv Gandhi.



330. Press note issued by the Government of India on the talks between the Home Secretaries of India and Myanmar.

New Delhi, October 14, 2005.

The 11th Home Secretary level meeting between India and Myanmar was held at Yangon, Myanmar today. The Indian delegation was led by the Union Home Secretary, Shri V.K. Duggal and the Myanmar delegation by their Deputy Minister of Home Affairs, Brig-Gen. Phone Swe.

terms of a closer political understanding and a very wide-ranging dialogue," and added that the "crafting of a clear plan for bilateral interactions in the coming years" was facilitated. The visit of EAM which coincided with the celebrations of the Armed Forces Day in Myanmar, acquired considerable political importance on account of the presence of the top military leaders during the meeting with the Chairman of the State Peace and Development Council, Sr. Gen. Than Shwe in Yangon. The two sides expressed "satisfaction that the evolution of bilateral defence cooperation is moving in the right direction". One aspect of the current bilateral dialogue in this sphere related to the need to maintain stability and ensure security along the Myanmar – India border. As for broader "strategic and political" dimension of the bilateral engagement, as amplified during the EAM's visit, was Myanmar's "considerable appreciation of India's role in the larger Asian context." The visit also underlined India's relevance to the proposed East Asian Economic Community.

At the meeting, issues relating to security, drug trafficking, border trade, border management and proposed infrastructure projects in Myanmar were discussed. Both sides agreed to further strengthen cooperation in tackling the activities of insurgents, arms smugglers, drug traffickers and other hostile elements along the India-Myanmar border. The status of various infrastructure projects in Myanmar particularly in road and power sectors over which the two countries have agreed to cooperate was also reviewed at this meeting. It was agreed that, when completed, these infrastructure projects would help in economic development of the border areas and would also promote greater movement and interaction of people across the border.

The Myanmar side requested sympathetic consideration to their fishermen who cross maritime boundary inadvertently. The Union Home Secretary suggested that a Working Group at the level of the Foreign Office of the two Governments and consisting of their respective Security Forces may examine the steps needed to evolve a mechanism so that the innocent fishermen from both sides who drift inadvertently into the territorial waters of the other side may not be put to undue hardships. All efforts would be made to ensure that the report of this Working Group is available before the next national level meeting.

The Home Secretary also suggested that in future, issues likely to be discussed at the national level meetings be exchanged between the two sides at least three months in advance so that the discussions at the meeting could be more specific and fruitful.

On India's request, the Myanmar side also agreed to look into the release of five Indian nationals, who were arrested by the Myanmar Army in June, 2005.

The Indian delegation called on the Myanmar Home Minister, Maj-Gen. Maung Oo today. At this meeting, both sides agreed to further strengthen their cooperation for curbing drug trafficking. The Myanmar Home Minister assured the Home Secretary that arms smugglers would be severely punished if caught on Myanmar soil.

The discussions were held in a very warm and cordial atmosphere. Both sides expressed the view that deliberations held at this meeting would further strengthen the friendship between the two countries¹.



1. The talks concluded on October 17 with the signing of agreed minutes. A press note issued in New Delhi by the Government of India said: "the talks were held in an atmosphere of

331. Meeting between Prime Minister Dr. Manmohan Singh and Myanmar Prime Minister Soe Win on the sidelines of the East Asia Summit.

Kuala Lumpur, December 14, 2005.

Prime Minister Dr. Manmohan Singh had a meeting with the Prime Minister of Myanmar in Kuala Lumpur on the sidelines of the East Asia Summit. According to the press reports he called for the release of Myanmar's leading political dissident Aung San Suu Kyi but also stressed that it was not his "purpose" to advise the military junta what it should do. "We favoured national reconciliation and also the movement towards democracy, respect for fundamental human rights and allowing political activities to flourish," he said. While speaking to journalists accompanying him on board the flight back home he asserted it was up to the Myanmar people to solve their problems. Referring to the conversation he had with his counterpart Soe Win, Dr. Singh said "We agreed that our two countries could do a great deal more in developing the transportation and hydrocarbon sectors." He added that he also discussed the issue of Myanmar territory being used by Indian insurgent groups. "I was assured that the Myanmar Government would fully cooperate and not allow its territory to be used against India," added Prime Minister.



mutual understanding and trust and it was agreed that maintenance of peace in the border area was pre-requisite for development of both the countries. In a significant boost to the mutual cooperation, both sides agreed to hold joint interrogation of persons arrested for drugs/arms smuggling and for insurgency related activities. Myanmar reiterated that it would not allow negative elements to use its territory for carrying out hostile activities against India. It also agreed to intensify action against arms smugglers. Both sides also agreed to further strengthen cooperation in curbing trafficking in drugs and psychotropic substances."

SINGAPORE

332. Media briefing by Official Spokesperson on the meetings of Singapore Prime Minister.

New Delhi, June 29, 2005.

Official Spokesperson:As you know the visit of the Prime Minister of Singapore is under way. The talks with the Prime Minister as well as the signing of the Agreements will be later this evening. We have already distributed a brief note on CECA.

This morning Minister of External Affairs Shri K Natwar Singh paid a call on Singapore Prime Minister Mr. Lee Hsien Loong. During the meeting, a wide range of regional and bilateral issues were discussed. Both sides welcomed the signing of Comprehensive Economic Cooperation Agreement (CECA). The Singapore Prime Minister described this Agreement as “a big step forward” in our bilateral relations and reiterated his Government’s commitment to a broad based development of ties with India. Cooperation in the areas of defence and security were also discussed¹.

They also discussed issues pertaining to multilateral issues including the issue of reforms in the United Nations. The Singapore Prime Minister while recognizing the important role that India was playing in the world and Asia in particular supported India’s candidature for a permanent seat in the UN Security Council.

There was also call on the President, call by Minister of Finance, lunch with the Indian Parliamentarians of the Indo-Singapore Parliamentary Forum. This evening there is call on the Vice-President and meeting with Smt. Sonia Gandhi, apart from the meeting with Prime Minister and a banquet hosted in his honour. Tomorrow, there is a business lunch by FICCI/CII, call by Minister of Commerce and Industry and call by Leader of Opposition

1. Before his departure from Singapore, Mr. Lee Hsien Loong told *the Hindu* correspondent in Singapore that India “will become very important to us, even more important than it is already is,” after the signing of the CECA. He said a brighter economic outlook was possible “if we can sustain” the present upward trend in bilateral trade “for a few more years.” He said the “scope is vast” for Singapore to invest in India. Pointing out that “we don’t have expertise in all areas” he identified the areas of Singapore’s investment-strength as “industrial facilities, airports, even ports and less so power plants.” He said Singapore would be “very happy” to have Indian presence in its science and technology sectors.

Shri L.K. Advani. A meeting with former Prime Minister Shri Vajpayee is also scheduled.



333. Speech of Prime Minister Manmohan Singh at a banquet in honour of Prime Minister of Singapore Lee Hsien Loong.

New Delhi, June 29, 2005.

Your Excellency Prime Minister Lee Hsien Loong,

Distinguished Guests,

I would like to extend once again a very warm welcome to Your Excellency and to the distinguished members of the delegation. Your visit will strengthen our deep bonds of friendship, continue our practice of close political consultation and expand opportunities for economic & commercial cooperation.

Our two countries have deep ties of friendship and our people are bound by many common values. Both our countries are pluralistic, multi-ethnic and multi-religious societies. The ties between our two countries have today evolved into a mature and balanced relationship that has grown through friendship, mutual trust and cooperation.

Indians have deep respect for Singapore's many achievements. We have admired your rapid growth and progress to economic prosperity under the visionary leadership of Prime Minister Lee Kuan Yew and his successors. You have managed to sustain high levels of economic growth while maintaining social and religious harmony and public order and discipline.

I wish to place on record India's deep appreciation of Singapore's role in increasing India's interaction with ASEAN and the region at large. Most recently, Singapore played an important role in helping forge an ASEAN consensus on India's participation in the first East Asia Summit to be held at Kuala Lumpur in December this year¹.

1. During the day the two Prime Ministers met for bilateral discussions. A spokesman for the Prime Minister Manmohan Singh said that the two leaders discussed bilateral and regional

The signing of the Comprehensive Economic Cooperation Agreement between India and Singapore represents a historic milestone in our bilateral ties. This is the first such Agreement that we are signing. We are indeed happy that we are signing this forward-looking agreement with your country, Mr Prime Minister, which has always supported India's economic reform process, ever since the early-90s. It is our common belief that this Agreement will lay the foundation for the rapid integration of our two economies and the expansion of our trade and economic ties to fully exploit the potential and opportunities that exist in our economies.

We hope that Singaporean companies will realize the tremendous potential of the Indian market and industry. We are aware of the strengths of your companies in various sectors and we welcome investment particularly in developing our infrastructure, which will require huge capital in the years to come. Our companies are eager to collaborate in areas such as integrated township development, housing and construction projects. The knowledge economy, which is a priority area of both countries, is another area of great potential.

While it is true that trade and economic ties continue to be the bedrock of our relationship, recent years have witnessed the diversification of our contacts in areas such as defence and security, education, culture and science & technology. This is in conformity with our desire to build a broad-based relationship that would reinforce our mutual trust and understanding.

Excellency, both India and Singapore have a common desire to preserve and protect the composite fabric of our societies and to guard against forces of extremism that seek to undermine our free societies. Both countries are united in fighting such forces and it is in this spirit that we have signed the Mutual Legal Assistance Treaty today.

We attach the highest importance to our relations with Singapore.

issues and PM thanked Mr. Lee for Singapore's support for India's participation in the East Asia summit at year-end. Dr. Singh, however stressed that the summit should not be confined to economic issues alone and should be extended to all areas of concern to Asian nations. Prime Minister speaking to journalists on the same day said that "the Agreement widen and deepen our relations. Singapore is our gateway to Southeast Asia and East Asia and this is truly a historic moment." Mr. Lee on his first visit to India after taking over as Prime Minister said both the economic agreement and the mutual legal assistance treaty, also signed the same day "will make for very, very good relations." In the morning after his ceremonial reception at the Rashtrapati Bhavan, he said: "I am happy that our relations are broad and deep. And (they) will grow broader and deeper with the CECA we are signing today."

Both our countries will play important roles in shaping this century which we hope will be the Asian century.

Your visit to India will contribute significantly to the development of our bilateral ties and I look forward to working with you in the years ahead to bringing the fullest benefit of our deeper engagement to the people of our two countries.

Ladies and Gentlemen,

May I now invite you to join me in a toast To the health and well-being of Prime Minister Lee Hsien Loong

To the happiness and prosperity of the people of Singapore, and

To the friendship between India and Singapore.



334. Press release issued by the Ministry of Commerce on the signing of the Comprehensive Economic Cooperation Agreement with Singapore.

New Delhi, June 30, 2005.

Shri Kamal Nath, Union Minister of Commerce & Industry, has said that the Comprehensive Economic Cooperation Agreement (CECA) between India and Singapore is a path breaker and a model as it incorporates agreements in **Goods, Services and Investments**;¹ in fact, it has 16 different chapters dealing with a large number of sectors in great detail. It is also the first time that India is entering into any kind of bilateral agreement in Services, the Minister said while addressing the luncheon meeting with the Singapore Prime Minister, Mr. Lee Hsien Loong, here today, which was organised jointly by the Federation of Indian Chambers of Commerce & Industry (FICCI), Confederation of Indian Industry (CII) and Associated Chambers of Commerce and Industry (ASSOCHAM). "Through CECA, I am confident that bilateral trade will cross **10 billion dollars** in two or three years", he

1. Emphasis throughout as in the original.

said. At present, two-way trade between India and Singapore is US \$ 6.4 billion.

Shri Kamal Nath noted that CECA would be instrumental in developing **supply chains** from India, through Singapore, to many other countries in the world. “Singapore is a **global trading hub**, indeed, perhaps the first and most successful international trading hub of the world. The CECA agreement on Goods is based on the premise that an enormous **synergy** can be activated between the **huge manufacturing base** of India and the **exciting trading interface** that Singapore has with the global market-place...**Mutual Recognition Agreements in Goods would substantially increase these exports in dairy and poultry related activities, and we believe that the benefits of CECA will thus percolate down to our agricultural hinterland. Similarly Mutual Recognition Agreements in Service means increased interaction in various Services sectors; this would improve efficiency in our economy, and at the same time provide new avenues to Indian professionals**”, Shri Kamal Nath said.

Referring to financial services, the Minister emphasised that with a greater interaction of banking systems and financial companies of the two countries, there would be greater facilitation in business, commerce, trade and investment. Facilitating **professional** interaction between the two countries would not only bring **economic advantage** to both countries, but also help in cementing **people-to-people contacts**, and help in the exchange of **technology**. Observing that Singaporean investments in India had more than doubled during last year, he said that a great deal of interest had been generated in Singapore, particularly in infrastructure projects, Special Economic Zones (SEZs) and construction and development sectors. The **Minister predicted a substantial increase in investments from Singapore into India, and said that both our countries would gain enormously from this arrangement.**

Shri Kamal Nath said **sufficient safeguards have been built into the Agreement to prevent possible misuse of the provisions of CECA.** “We have strict but practical Rules of Origin which require not only a **value addition** of 40% but also a **change in tariff heading** and fulfilment of certain well defined **sufficient manufacturing operations**”, he said, adding that

such measures would go a long way in reassuring the business communities in both the countries².



335. Interview of Prime Minister Dr. Manmohan Singh with *The Straits Times*.

New Delhi, June 30, 2005.

What Indian PM Manmohan Singh Has To Say On Regional Ties

On India-Singapore ties 'Our relations are warm and friendly. PM Goh was the first head of government to visit India after our government took office. Then I had the pleasure of meeting PM Lee Hsien Loong in Laos and Jakarta.

'Our economic relationship is the bedrock of our relationship. Singapore is India's largest trading partner in Asean. Ceca is a forward-looking agreement that I hope will lead to rapid expansion in our trade and economic ties. We are also witnessing a rapid development in our ties in diverse areas, including defence, security, culture and education.'

On what lies ahead for India-Singapore ties

'Our bilateral ties are full of possibilities. We have a common vision and understanding on economic and security issues. Singapore has consistently been bullish on India's reform process ever since it started (in 1991) and we appreciate this endorsement. India and Singapore have much to contribute to the emerging political and economic architecture in Asia.' On the significance of Ceca 'Ceca opens doors for a quantum jump in trade and investment flows between India and Singapore. In a way, Singapore can act as a window into India. This is an India that is just beginning to

2. The Finance Minister P. Chidambaram after his meeting with the Singapore Prime Minister on June 29th told the media that this agreement "will lead to a larger flow of investments into India" as the Asian giant is a major global hub for trading and manufacturing. He said: "We are happy that we are entering into CECA ...Singapore offers a large basket of financial services which can be leveraged to channel investment to India...Prime Minister (Lee) told me that after CECA, one can expect a large flow of investment from Singapore and through Singapore."

realise its immense growth potential. Ceca is a concrete manifestation of India's Look East policy and search for political and economic convergence with Asean. It is a symbol of our commitment to liberalise our economy.'

On Singapore's growth model

'I have visited Singapore many times and have always been impressed by the strides the country has made in just one generation, with no natural resources to speak of. It shows what hard work, determination and vision can achieve. I feel there are many areas - provision of urban amenities, infrastructure development, health care, education - where we could share our experiences.'

On India's role in Asia's economic and strategic security

'India attaches the greatest importance to the East Asia Summit to be held in Malaysia later this year. It may be the forerunner of an economic community in the region. India's participation along with China, Japan and Korea will ensure a balanced development of this initiative.'

On India as the next engine of growth, alongside the US and China

'The Indian economy is on a high growth path. All indications are that we would be able to move to a sustained growth trajectory of 8 per cent per annum. We are committed to accelerating the pace of domestic reform and global integration of the Indian economy.'

On ties with China

'Our relations are in the process of development and diversification. The basic paradigm is that we are seeking to improve relations while addressing outstanding differences. We have not allowed those differences to define the agenda of our relations.'

On India's stand amid US-China rivalry for influence

'Our relations with China and our relations with the US are in separate compartments. There is a significant scope to expand our relations with both China and US without getting into this futile controversy.'

'We are not part of any alliance system working against China's interests. There is enough space available for both our countries to move

ahead. India's ties with the US stand on their own merit and logic. They are not directed against any other country.'

On ties with the US

'Frequent contacts at political and official levels are reflective of the qualitative transformation of bilateral ties. There is an increasing convergence of views on global, regional and bilateral issues of common concern. India and the US today interact on strategic and security issues, defence, counter-terrorism, counter-proliferation, science and technology, health, trade, space.'

On ties with Japan

'Of late, we have seen some signs of increased Japanese interest in expanding economic relations with India. I think Japanese industry is beginning to see the long-term benefits of investing in India and the importance of diversification to the Indian market. We are also trying to attract large investment in our infrastructure.'

On Pakistan

'I would be the last to say there are no hiccups or uncertainties. But we have moved ahead since my first meeting with General Musharraf last September and we had a good meeting here two months ago. 'We made some process, but it goes without saying that the peace process is vulnerable to terrorist activity...If there is a wave of terrorist incidents, the peace process can be affected.'



336. Agreement between the Government of the Republic of Singapore and the Government of the Republic of India Concerning Mutual Legal Assistance in Criminal Matters.

New Delhi, June 29, 2005.

The Government of the Republic of Singapore and **the** Government of the Republic of India hereinafter called the Contracting States;

Guided by the traditional friendly relations between the two countries;

Desiring to facilitate the widest measure of mutual assistance and to improve the effectiveness of both countries in the prevention and suppression of crime through co-operation in investigation and prosecution of criminal matters;

Have Agreed as follow

Article 1
Scope Of Assistance

1. The Contracting States shall, in accordance with the provisions of this Agreement and subject to their respective domestic laws, provide each other mutual assistance in criminal matters.
2. Assistance shall include:
 - (a) the location and identification of persons;
 - (b) the service of documents;
 - (c) the obtaining of voluntary statements or evidence;
 - (d) the production of material or thing / object;
 - (e) the execution of requests for search and seizure;
 - (f) the making of arrangements for persons to give evidence or assistance in relation to criminal matters in the Requesting State;
 - (g) the restraining of dealing in property or the freezing of property

- derived from the commission of an offence that may be recovered, forfeited or confiscated;
- (h) the recovery, forfeiture or confiscation of property derived from the commission of an offence; and
 - (i) the provision of such other assistance as may be agreed and which is consistent with the objects of this Agreement and the laws of the Requested State.
3. Assistance shall not include:
- (a) the extradition of any person
 - (b) the execution or enforcement of final criminal judgments or sentences of a court in the Requesting State, except as contemplated by this Agreement and permitted by the laws of the Requested State; or
 - (c) the transfer of persons in custody to serve sentences.
4. This Agreement is intended solely for mutual assistance between the Contracting States and shall not give rise to any right on the part of any private person to make a request under this Agreement.

Article 2

Central Authorities

1. Each Contracting State shall, at all times, have an authority that is designated as the Central Authority to make and receive requests for the purposes of this Agreement.
2. At the commencement of this Agreement the Central Authority is;
 - (a) for the Republic of Singapore, the Attorney-General or a person duly authorised by the Attorney-General; and
 - (b) for the Republic of India, the Ministry of Home Affairs.
3. Each Contracting State shall notify the other of any change of its Central Authority.

4. The Central Authorities shall normally communicate directly with each other but may, if they choose, communicate through diplomatic channels.

Article 3 **Form and Contents of Requests**

1. All requests shall be made in writing.
2. In urgent cases, a request may be made by any means that affords a record in writing and need not contain all the information set out in this Article. Where an urgent request is made, the Central Authority shall submit a request within 10 days unless the Requested State agrees in writing to a longer period.
3. Every request for assistance shall:
 - (a) specify the purpose of the request and the nature of the assistance sought;
 - (b) identify the person or authority that initiated the request;
 - (c) be accompanied by:
 - (i) a certificate that the request is made in respect of a criminal matter;
 - (ii) a description of the nature of the criminal matter and its current status, and a statement setting out a summary of the relevant facts and laws;
 - (iii) a description of the offence to which the criminal matter relates including its maximum penalty;
 - (iv) details of any particular requirement that the Requesting State may have, or any procedure that it wishes to be followed in giving effect to the request, including details of the manner or form in which any information, evidence, document or material or thing/object should be provided to the Requesting State;
 - (v) a statement setting out the wishes, if any, of the Requesting State concerning the confidentiality of the request, and the

reasons for those wishes;

(vi) details of the period within which the Requesting State wishes the request to be met; and

(vii) any other information that may assist in giving effect to the request.

4. Requests for assistance shall, where relevant, and to the extent possible, also include:

(a) where a request for assistance would involve locating a particular person, the identity, nationality and any information regarding that person's current whereabouts;

(b) where the request relates to:

(i) the location of a person who is suspected to be involved in or to have benefited from the commission of an offence; or

(ii) the tracing of property that is suspected to be connected with an offence,

the name, identity, nationality, location or description of that person, or the location and description of the property, if known, and a statement setting forth the basis for suspecting the matter referred to in subparagraph (a) or (b);

(c) where the request is for assistance in obtaining statements or evidence under Article 6 or 7,

(i) a statement outlining the basis of the Requesting State's belief that the person whose statement or evidence is sought may be able to give evidence relevant to the criminal matter; and

(ii) a description of the matters about which the person is to be examined or questioned including, where appropriate, any questions that the Requesting State' wishes to be put to that person;

(d) where the request is for assistance in obtaining the production of material or a thing/object under Article 8,

- (i) a description of the material or thing/object to be produced and, where relevant, a description of the appropriate person to be asked to produce them;
 - (ii) a statement outlining the basis of the Requesting State's belief that the material or thing/object may be relevant to the criminal matter;
- (e) if the request is for assistance involving a person travelling to the Requesting State under Article 9, details of allowances to which the person would be entitled, and of the arrangements for accommodation for the person while in the Requesting State pursuant to the request;
- (f) where the request is for assistance relating to property derived from the commission of an offence under Article 11,
 - (i) a statement outlining the basis of the Requesting State's belief that property may be located in the Requested State;
 - (ii) the court order sought to be enforced (where applicable) and a statement regarding the current status of that order; and
 - (iii) where judicial proceedings to obtain an order for the confiscation or forfeiture of property derived from the commission of an offence have not been instituted in the Requesting State, a statement indicating when they are likely to be instituted;
- (g) if the request is for assistance relating to search and seizure under Article 12,
 - (i) a description of the property sought and its likely location; and
 - (ii) a statement outlining the basis of the Requesting State's belief that the property may be located in the Requested State and its relevance to the criminal matter ;
- (h) if an official of the Requesting State intends to travel to the Requested State in connection with the request, information about the purpose of that person's visit, the proposed time frame and travel arrangements.

(5) If the Requested State considers that the information contained in a request is not sufficient to enable the request to be dealt with in accordance with this Agreement, it may request additional information.

Article 4 **Execution of Requests**

1. Requests for assistance shall be carried out promptly by the competent authorities of the Requested State in accordance with its laws and, unless inconsistent with those laws, in the manner requested by the Requesting State.
2. The Requested State shall promptly inform the Requesting State of circumstances, when they become known to the Requested State, which are likely to cause a significant delay in carrying out the request.
3. The Requested State shall promptly inform the Requesting State of the outcome of the execution of the request. If the request cannot be executed in whole or in part, the Requested State shall, to the extent possible, inform the Requesting State of the reasons therefore.

Article 5 **Refusal or Postponement of Execution of Requests**

1. The Requested State shall refuse assistance if it is of the opinion that:
 - (a) the request relates to the investigation, prosecution or punishment of a person for an act or omission that, had it occurred in the Requested State, would have been an offence under the military law of that State but not under its ordinary criminal law;
 - (b) the request relates to the investigation, prosecution or punishment of a person for an offence that is, or by reason of the circumstances in which it was committed or is alleged to have been committed, is of a political character. For the purpose of considering whether a request relates to a political offence, the Requested State shall take into account the relevant facts, supporting documents provided by the Requesting State and provisions of international conventions to which the Contracting

States are parties. The Requested State may particularly consider that serious offences against life, physical integrity or freedom of person, or property are not political offences for the purpose of this Agreement.

- (c) there are substantial grounds for believing that the request has been made for the purpose of investigating, prosecuting or punishing, or otherwise causing prejudice to a person on account of that person's race, ethnic origin, sex, religion, nationality or political opinions;
 - (d) the request relates to the investigation, prosecution or punishment of a person in respect of an act or omission that, if it had taken place within the jurisdiction of the Requested State would not have constituted an offence under its law;
 - (e) the request relates to the investigation, prosecution or punishment of a person for an offence where the person:
 - (i) has been convicted, acquitted or pardoned by a court or competent authority in the Requested State; or
 - (ii) has undergone the punishment provided by the laws of that State, in respect of that offence or of another offence constituted by the same act or omission;
 - (f) the request would impair the sovereignty, security or public order or is contrary to public interest of the Requested State;
 - (g) the request would prejudice a criminal matter in the Requested State; or
 - (h) the request is not made in conformity with this Agreement.
2. In addition to the grounds set out in paragraph 1, the Requested State may refuse assistance, if it is contrary to its laws for the request to be granted.
3. If the Requested State determines that the execution of the request, or any portion thereof, would interfere with an ongoing criminal investigation

or proceeding, or any other matter before its courts, it may postpone execution or make execution subject to conditions determined necessary after consultations with the Requesting State. If the Requesting State accepts assistance subject to the conditions, it shall comply with the conditions.

Article 6 Obtaining Statements

Where a request is made to obtain a statement from a person for the purpose of a criminal matter in the Requesting State, the Requested State shall endeavour, with the consent of that person, to obtain that statement.

Article 7 Taking of Evidence

1. Where a request is made for the taking of evidence for the purposes of any criminal proceedings pending in a court of the Requesting State, the Requested State shall arrange to have such evidence taken in accordance with its domestic laws.
2. Where evidence is to be taken under this Article, the parties to the relevant criminal proceedings in the Requesting State or their legal representatives may, subject to the laws of the Requested State, appear and question the person giving that evidence.
3. A person who is required to give evidence under this Article may decline to give evidence where either:
 - (a) the laws of the Requested State would permit that person to decline to give evidence in similar circumstances in criminal proceedings which originated in the Requested State; or
 - (b) the laws of the Requesting State would permit that person to decline to give evidence in such criminal proceedings in the Requesting State.
4. If any person claims that there is a right to decline to give evidence under the laws of the Requesting State, and if so requested, the Requesting State shall provide a certificate to the Requested State as to the existence or otherwise of that right. In the absence of evidence to the contrary, the certificate shall be prima facie evidence of the matters stated in it.

Article 8
Production of Material or Thing/Object

1. Where a request is made for the production of any material or thing/object for the purposes of any criminal matter in the Requesting State, the Requested State shall, subject to its laws, arrange for such production and transmission.
2. A person who is required to produce any material or thing/object under this Article may decline where either:
 - (a) the laws of the Requested State would permit that person to decline to produce that material or thing/object in similar circumstances in criminal proceedings which originated in the Requested State; or
 - (b) the laws of the Requesting State would permit that person to decline to produce that material or thing/object in such criminal proceedings in the Requesting State.
3. If any person claims that there is a right to decline to produce that material or thing/object under the laws of the Requesting State, and if so requested, the Requesting State shall provide a certificate to the Requested State as to the existence or otherwise of that right. In the absence of evidence to the contrary, the certificate shall be prima facie evidence of the matters stated in it.
4. The Requesting State undertakes to return to the Requested State any particular material or thing/object transmitted under this Article when it is no longer needed, or at the conclusion of the criminal matter to which the request relates, whichever is the earlier.

Article 9
Attendance of Persons

1. The Requesting State may request assistance in arranging for the attendance of a person who is in the Requested State to give evidence or provide assistance in respect of a criminal matter in the Requesting State.
2. The Requested State shall, if permitted by its laws, and if satisfied that appropriate arrangements for that person's safety will be made by the Requesting State, invite the person to give or provide evidence or assistance in the Requesting State. The person shall be informed of any expenses or allowances payable.

(3) The Requested State shall promptly inform the Requesting State of the person's response and, if the person consents, take necessary steps to facilitate the person's attendance in the Requesting State.

Article 10
Safe Conduct

1. Where a request for assistance under Article 9 is made, the Requesting State undertakes that the person;
 - (a) shall not be detained, prosecuted or punished for any offence against the laws of the Requesting State that is alleged to have been committed, or that was committed, before the person's departure from the Requested State;
 - (b) shall not be subject to any civil suit (being a civil suit to which the person could not be subject to if he or she were not in the Requesting State) in respect of any act or omission that is alleged to have occurred or that had occurred, before the person's departure from the Requested State;
 - (c) shall not be required to assist in any criminal matter other than the criminal matter to which the request relates;
 - (d) shall not be subject to any prosecution based on his or her testimony, other than for an offence of perjury or contempt of court; or
 - (e) be returned to the Requested State in accordance with arrangements agreed by both Contracting States.
2. Paragraph 1 shall not apply if the person, being free to leave the territory of the Requesting State, has not left within 30 days after he or she is personally notified in writing by the Requesting State that his or her presence is no longer required, or having left the territory of the Requesting State, has voluntarily returned.
3. A person who does not consent to travel to the Requesting State to give evidence or assistance shall not be subject to any penalty or liability or otherwise prejudiced in law by reason only of that person's refusal or failure to consent to attend as requested.

Article 11

Property Used In Or Derived From the Commission of An Offence

1. The Contracting States shall assist each other, to the extent permitted by their respective domestic laws, in relation to proceedings to confiscate property used in or derived from the commission of an offence.
2. Where property used in or derived from the commission of an offence is found in the Requested State and where the Requesting State so requests, the Requested State shall take such measures as are permitted by its laws to restrain the said property pending a final determination by a court of the Requesting State.
3. Upon request, the Requested State shall, to the extent permitted by its laws, give effect to a final order confiscating property made by a court of the Requesting State.
4. In the application of this Article, the rights of bona fide third parties shall be given effect to the extent permitted by the laws of the Requested State.
5. A request for assistance under this Article shall be made only in respect of such orders that are instituted or made after the coming into force of this Agreement.
6. Property confiscated pursuant to this Article shall accrue to the Requested State, unless otherwise agreed in a particular case.

Article 12

Search and Seizure

1. The Requested State shall, to the extent its laws permit, carry out requests for search, seizure and delivery of any material or thing/object to the Requesting State which is relevant to a criminal matter.
2. The Requested State shall provide such information as may be required by the Requesting State concerning the result of any search, the place and circumstances of seizure, and the subsequent custody of the material or thing/object seized.
3. The Requesting State shall observe any conditions as to the return and safe custody, imposed by the Requested State, of any seized material or thing/object which is delivered to the Requesting State, including any

terms and conditions to protect third party interests in the material or thing/object.

Article 13
Location or Identification of Persons

The Requested State shall endeavour to ascertain the location or identify of any person specified in the request and who is believed to be in its territory.

Article 14
Service of Process

1. The Requested State shall, in accordance with its laws, endeavour to arrange for service of any process on a person in its territory.
2. The Requesting State shall transmit any request for the service of the process which requires a response or an appearance in the Requesting State, within a reasonable time before the response is due or the appearance scheduled.
3. A person on whom process is served pursuant to this Article shall not be subject to any penalty, liability or coercive measure pursuant to the laws of the Requesting State or the Requested State by reason only of that person's refusal or failure to accept or comply with such process.
4. The Requested State shall, subject to its laws, return a proof of service in the manner required by the Requesting State. If service cannot be effected, the Requesting State shall be so informed and advised of the reasons.

Article 15
Provision of Public and Official Documents

The Requested State shall on request, provide copies of publicly available documents or records in the possession of government departments and agencies.

Article 16
Confidentiality and Limitation on Use

1. The Requested State shall keep a request for assistance, the contents of the request and its supporting documentation, and the fact of the granting of such assistance, confidential. If the request cannot be

executed without breaching confidentiality, the Requested State shall, before executing the request, so inform the Requesting State which shall then determine the extent to which it wishes the request to be executed.

2. The Requesting State shall:
 - (a) undertake not to disclose or use the information or evidence furnished pursuant to this Agreement for purposes other than those stated in the request without the prior written consent of the Requested State. The Requested State may consent for the information or evidence to be used for purposes other than those stated in the request subject to such terms and conditions as it may specify;
 - (b) use its best efforts to ensure that the information or evidence is protected against loss and unauthorised access, use, modification, disclosure or other misuse.

Article 17 Authentication

1. Each Contracting State shall, upon request, authenticate any document to be transmitted to the other State under this Agreement. A document is authenticated for the purposes of this Agreement if:
 - (a) it purports to be signed or certified by a judge, magistrate or official in or of the Contracting State sending the document; and
 - (b) either:
 - (i) it is verified by the oath or affirmation of a witness or official of the Contracting State sending the document; or
 - (ii) it purports to be sealed with an official seal of the Contracting State sending the document or a Minister or official of a Department of that State.

Article 18 Language

All requests and supporting documents submitted by the Requesting State shall be in English. Supporting documents, if not in the English language, shall be accompanied by an English translation.

Article 19
Representation and Expenses

1. The Requested State shall make all necessary arrangements for the representation of the Requesting State in any proceedings arising out of a request for assistance and shall otherwise represent the interests of the Requesting State.
2. The Requested State shall assume all ordinary expenses of executing a request for assistance within its jurisdiction, except that the Requesting State shall bear:
 - (a) the expenses and fees of experts;
 - (b) the expenses of translation, interpretation and transcription;
 - (c) the fees of counsel retained at the request of the Requesting State;
 - (d) travel expenses and allowances of persons travelling at the request of the Requesting State; and
 - (e) other expenses, to the extent that these are of an extraordinary nature.
3. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Contracting States shall consult in advance to determine the terms and conditions under which the requested assistance can be provided.

Article 20
Consultation

1. The Contracting States shall consult promptly at the request of either Contracting State on any matter concerning the interpretation and implementation of this Agreement.
2. Any dispute arising out of the interpretation and implementation of this Agreement shall be resolved through diplomatic channels if the Central Authorities are unable to reach an agreement.

Article 21
International Conventions and other Treaties

This Agreement shall not prevent the Contracting States from

providing assistance in criminal matters to each other pursuant to any bilateral agreements, arrangements or applicable international conventions to which both Contracting States are parties.

Article 22
Entry into Force, Amendment and Termination

1. The Contracting States shall notify each other in writing of the completion of their respective requirements for the entry into force of this Agreement. This Agreement shall enter into force 30 days after the date of receipt of the last notification.
2. This Agreement shall apply to requests presented after its entry into force even if the relevant acts or omission occurred before that date.
3. This Agreement may be amended by mutual consent of the Contracting States.
4. Either Contracting State may terminate this Agreement by giving written notification to the other Contracting State. The termination shall take effect 6 months after the date on which the notification is received by the other Contracting State. Any request received prior to the notification of termination of the Agreement shall nevertheless be processed in accordance with the terms of the Agreement as if the Agreement was in force.

In witness whereof, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done at New Delhi this 29th day of June of the year two Thousand and five in two originals each, in Hindi and English, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

For the Government of the
Republic of Singapore

For the Government of the
Republic of India



THAILAND

337. Press release of the Ministry of External Affairs on the meeting of External Affairs Minister K. Natwar Singh with the Foreign Minister of Thailand Dr. Kantathi Suphamongkhon on the sidelines of the Afro-Asian Summit.

Jakarta, April 23, 2005.

EAM had a meeting with H.E. Dr. Kantathi Suphamongkhon, Foreign Minister of Thailand on the sidelines of the Asian African Summit Meeting in Jakarta on April 23, 2005. The meeting was held in a warm and cordial atmosphere. The two Foreign Ministers discussed bilateral relations and cooperation and the regional situation.

EAM congratulated the Thai Foreign Minister on his assumption of office in March 2005.

EAM thanked Dr. Kantathi Suphamongkhon for the support of Thailand for India's participation in the First East Asia Summit to be held in Malaysia later this year.

EAM conveyed to the Thai Foreign Minister that India is looking forward to the visit of Princess Maha Chakri Sirindhorn¹ to India in November 2005 to receive the Indira Gandhi Award.

The Thai Foreign Minister sought India's support for the candidature of Thai Deputy Prime Minister Surakiart Sathirathai for the post of UNSG.

EAM briefed the Thai Foreign Minister about his visit to the United States and recent developments in India-US relations; the visit of the Chinese

1. HRH Princess Maha Chakri Sirindhorn had visited India from February 27 – March 10, 2005 on the invitation of Vice President. This was her fourth visit to India. The Princess is a Sanskrit scholar and keenly interested in Epigraphy. She has great interest in Indian culture, music, religion etc. She has been working on initiatives for upliftment of the poor and needy, empowerment of women, and development projects in Thailand. In view of her important contribution Government of India conferred the Indira Gandhi Prize for 2004 on her. During her previous visit to India in 2001, the Princess had laid the foundation stone of a Thai Buddha Temple at Kushinagar, which she inaugurated with traditional ceremony during the February'05 visit.

Prime Minister to India and India's proposed Summit with the EU in September this year.

EAM briefed Foreign Minister Dr. Kantathi Suphamongkhon about recent positive developments in India-Pakistan relations which he described as "never having been better in the last fifty years". Minister Kantathi Suphamongkhon welcomed these developments.



338. Press release of the Ministry of External Affairs on the visit of Prime Minister of Thailand Dr. Thaksin Shinawatra.

New Delhi, June 4, 2005.

Thai Prime Minister Dr. Thaksin Shinawatra paid a working visit to India on June 3, 2005. Prime Minister Dr. Manmohan Singh and Thai Prime Minister Dr. Thaksin Shinawatra held talks for one hour on the evening of June 3, 2005. The talks were held in a warm and cordial atmosphere. The talks were followed by a dinner hosted by Prime Minister Dr. Manmohan Singh in honour of the visiting dignitary.

2. During the course of the visit, the Prime Minister of Thailand, Dr. Thaksin Shinawatra called on President of the Indian National Congress and Chairperson of the UPA, Smt. Sonia Gandhi. The Minister for Human Resource Development, Shri Arjun Singh called on the Thai Prime Minister on the evening of June 3, 2005.

3. During the talks, the two Prime Ministers discussed a wide range of bilateral issues including the exchange of high level visits, trade and economic relations as well as cooperation in the areas of defence, security, culture, education, tourism, civil aviation, science and technology and disaster relief. India-Thai cooperation in regional forums like ASEAN and BIMSTEC as well as on multilateral issues also figured in the discussions.

4. During the meeting between the two Prime Ministers, it was agreed to set a target of a bilateral trade volume of US \$4 billion by 2007. The two Prime Ministers agreed to continue cooperation in the setting up of an Asian

Bond market. New areas of collaboration identified during the meeting included cyber security. The Prime Minister of Thailand expressed an interest in attracting knowledge workers from India to Thailand and invited the Indian private sector to set up technical, educational institutions in Thailand.

5. An Educational Exchange Programme (EEP) was signed by Shri Arjun Singh, Minister for Human Resource Development and the Thai Foreign Minister Dr. Kantathi Suphamongkhon during the visit. The EEP is a comprehensive document covering exchange of conferences, exhibitions, seminars, joint research programmes, publications, training programmes, exchange of academics, scholars, twinning arrangements between institutions of higher learning, mutual recognition of educational qualifications, setting up chairs of contemporary studies, mutual assistance in information technology, computer science, mathematics and sciences.

6. The working visit of the Prime Minister of Thailand, Dr. Thaksin Shinawatra to New Delhi helped carry forward the momentum of growing ties between India and Thailand in bilateral and regional framework.



(v) CENTRAL AND WEST ASIA

339. Speech of Prime Minister Dr. Manmohan Singh at the inauguration of the Centre for West Asian Studies in Jamia Millia Islamia University.

New Delhi, January 29, 2005.

**My esteemed friend and Cabinet colleague, Shri Natwar Singhji,
Mr. Vice-Chancellor, Prof. Mushirul Hasan sahib,
Ambassador Hamid Ansari sahib,**

Faculty Members, Students, Friends, Excellencies, Ladies & Gentlemen:

I am indeed very happy to be amongst you as this prestigious University takes another important step forward in its evolution as a leading Centre for learning and research. While my formal association with Jamia dates back to my tenure as Chairman of the University Grants Commission, I have continued to watch the great strides Jamia has made over the years. I compliment all of you for the progress you have achieved, in particular since this institution became a Central University in 1988. You have done very well, but I believe the best is yet to come. And in realizing your dreams, I assure you of the cooperation of our government.

Ladies and Gentlemen,

Today's event is certainly a special moment in the 85-year old history of Jamia. We all recognize the important role played by Jamia in our national movement, shaping the thinking of a generation of patriotic Indians. No less an authority on education than Gurudev Tagore described Jamia as "one of the most progressive educational institutions of India".

Ladies and Gentlemen,

As a former Member of the academic fraternity, I have always believed that Universities are more than microcosms of society and havens of creativity and intellectual enterprise. Universities must also play a vital role to serve the society within which they are anchored. Maintaining the balance between a free flow of ideas and creativity, while retaining an institution's moorings in the larger social environment is a task that is both delicate but equally crucial. To meaningfully engage with society and its stakeholders, academics must balance their zealous $\frac{3}{4}$ and sometimes

jealous! ¾ defence of intellectual freedom with an equal commitment to the needs of socio-economic development as well. It is therefore most heartening that this is indeed the direction in which Jamia is moving.

Ladies and Gentlemen,

Indeed, the fact that you have established six research centers in as many months, including a Centre for Jawaharlal Nehru Studies, illustrates your commitment to the society and the cause of knowledge. With the establishment of a Centre for West Asian Studies, Jamia will not only fill in a long-standing vacuum in our academia, it will also expand the range of activities in international relations. Your new Centre will add value to existing departments, such as the Center of Third World Study and the Centre for Study of Comparative Religions and Civilizations, with which synergies are self-evident.

I would like to focus some attention on West Asia today, in the context of the inauguration of this important Centre. I think it would be safe to say that our domestic pre-occupations in the past have, to an extent, detracted from our traditional focus on the important West Asian region. This happened at a time which unfortunately, was one of the most complex periods in that region's history. I hope your Centre must therefore play a major role in sharpening the focus of both Government and academics on this vital area in our proximate neighbourhood.

From the standpoint of global geopolitics, West Asia is currently at the confluence of some of the most crucial trends of our times. Some of the world's most complex problems are precariously balanced at this juncture. These include Iraq, the long-standing tragedy of the Palestinian people—which was so eloquently referred to by the Vice Chancellor in his inaugural address—and the emergence of threats to established states from radical religious movements, terrorism and other non-state actors. These are some of the harsh realities with which one has to contend with.

To add to this, perhaps for the first time in the recent history, West Asia has risen from being only an important area of global concern to perhaps the most crucial region. For instance, it is clear that West Asia will be a key foreign policy issue not only for the neighbouring regions but in terms of its global impact. Ongoing processes in West Asia will have a critical impact on the global strategic environment. Strategic thinkers the world over will

weigh the possible impact of the large and growing extra-regional military presence in West Asia, or the possibility of radical religious groups seeking to create and fill in a political vacuum in this region. Needless to say, the impact of any negative developments on India will transcend the obvious political and security repercussions; it will also greatly affect our economy, with our energy security strategy being the first to come under threat. Therefore, for us to understand and deal with the impact of these significant issues of today, we must not only better understand West Asia itself, but also our linkages with this economically, socially and culturally rich and diverse region.

Ladies and Gentlemen,

I do not need to underline either the importance or the history of our civilizational links with West Asia. Suffice to say that contact with the region has not only left an indelible imprint on our history, on our culture and on our civilization, it has also played a very important—and in many ways defining—role in making us who we are. In fact, in studying this region, we can learn much about our own nationhood.

In the modern age, the nations of West Asia are linked with India not only through traditionally close and centuries old cultural ties, but also through the presence of several million of our non-resident brethren, who form an organic link with India. Moving beyond these facts, our economic interests are also very significant. We are already exploring several interesting options to expand our energy security, both in terms of products and in terms of suppliers. Besides energy imports, there is also ample potential for India to evolve broader long-term economic relations with the region. This could include expanding our contacts with the Gulf Cooperation Council and other regional bodies into an enduring institutional relationship. We could also examine a more proactive strategy of seeking investments from West Asia, given India's emergence as an exciting and safe destination for foreign direct investment. These are possibilities for the Centre for West Asian studies to investigate.

Ladies and Gentlemen,

West Asia, to use a cliché, is at the crossroads today. The way in which events evolve will have a significant impact on our nation. To take but two of the most obvious examples, I would like to mention Iraq and the

issue of Palestine. The world awaits the outcome of tomorrow's elections in Iraq, with anxiety and hope. Although this is the first part of what promises to be a complex process in securing the future of Iraq, the world cannot but be deeply concerned about the escalating levels of violence, and the increasing human cost. We cannot but recall the extent of suffering of the Iraqi people over the past decades, in particular following the imposition of sanctions, and under the present disturbed situation. As a nation that has always stood by the people of Iraq, we sincerely hope that the elections are held in an environment of peace, with the full and genuine participation of all Iraqis in the democratic processes. India remains committed to the prosperity and well-being of the people of Iraq. We will do all we can, as Iraq stabilizes, to help with the return of normalcy and in the task of reconstruction that lies ahead.

On the other hand, we are at what we hope will be a long awaited positive juncture in the peace process between Palestine and Israel. India has remained steadfastly committed to the cause of the Palestinian people. Our position in support of a viable and independent State of Palestine, living in peace and prosperity within secure boundaries in peaceful co-existence with Israel, remains unshaken. Even as they cope with the grievous loss of President Arafat, the Palestinian people have again demonstrated their commitment to democracy. We watch with hope as high-level contacts resume between the Governments of President Mahmoud Abbas, and other countries in the region. For us, a new dawn in this old conflict would not only bring us the greatest satisfaction, it will also have repercussions on our own political and economic security.

Ladies and Gentlemen,

I do believe that there is one other important element for us to consider in our engagement with West Asia. This is in the realm of ideas. It has become fashionable in the present day to refer to developments in West Asia in particular, and the world in general in narrowly defined ideological terms. Most famously, this is described as a "clash of civilizations". There are also those who speak of the conflict between political Islam and democracy in West Asia. I would beg to differ. I believe India's continued success as a pluralistic democracy is an example of a more harmonious "Third Way". We sometimes need to remind ourselves that despite many shortcomings, our nation has, under great adversity, remained

an example of functioning diversity, characterized by a historic and civilizational tradition of tolerance. This tradition and the richness of our diversity has benefited from the revitalizing contacts with the countries of West Asia. Therefore, if there is truly one message that we have for the world, it is that neither richness nor poverty; religion or culture, or indeed tradition and history precludes a people from aspiring to create an open and democratic society, based on their own inherent genius. Our experience as multi-religious, multi-cultural and multi-ethnic democracy is a living rejection of the theory of a clash of civilizations and proof of what I often call the “enduring confluence of civilizations”.

Ladies and Gentlemen,

In conclusion, our focus both at home and abroad has to be based on the pursuit of excellence and the quest for knowledge. We know a great deal in our country about what happens in the advanced countries of the West. But we know very little about developments in the region around us. Much of our knowledge is based on secondary sources from the West. This must change. How much we succeed in improving our understanding of the world will determine the extent to which we succeed in anticipating or responding to events around us. Therefore, while the inauguration of the Centre for West Asian Studies is a praiseworthy development, we must expand our horizons to include other areas of importance in our neighbourhood and beyond. I hope Jamia Millia Islamia will remain at the forefront of promoting research and study of both West Asia and the world, aimed at improving our understanding of these region and in helping the region manage change in a contentious world.

I wish you every success in this noble endeavour.



340. Press release of the Ministry of External Affairs regarding appointment of C. R. Gharekhan as Special Envoy for West Asia and the Middle East Peace Process.

New Delhi, February 3, 2005.

Shri Chinmaya R. Gharekhan has been appointed as Special Envoy for West Asia and the Middle East Peace Process. Shri Gharekhan has had a distinguished diplomatic career, in the course of which he served as India's Permanent Representative to the UN in New York, India's Permanent Representative to the UN in Geneva and Additional Secretary in the Prime Minister's Office. On retirement in 1992, Shri Gharekhan served as Under Secretary General in the UN, first as the UN Secretary General's Personal Representative to the Security Council and then as UN Special Coordinator in the Occupied Territories.



341. Media briefing by India's Special Envoy to West Asia C. R. Gharekhan on his tour to the region.

New Delhi, March 3, 2005.

Official Spokesperson: I have great pleasure in telling you that we have with us a very special guest today Mr. C.R. Gharekhan, who as you know is Government of India's Special Envoy for West Asia which includes the Middle East Peace Process. He has recently returned from a visit to Egypt, Jordan, Israel and Palestine. We are taking this opportunity to request him to brief you on his visit and other related matters.

* * * *

Mr. C.R. Gharekhan: Thank you Navtej. As you all know the Government of India, Prime Minister of India took the decision to appoint a Special Envoy for West Asia about three weeks ago. Then jurisdiction of the responsibilities of the Special Envoy extends to what you know in the Ministry as the WANA and the Gulf Divisions, in other words the entire Arab world, with the addition of Israel.

I have been entrusted with this responsibility, which also includes

the Middle East Peace Process. I went on my first mission to this area and during the first visit I covered the parties directly connected and most intimately involved with the Middle East Peace Process. I first went to Jordan, then to Egypt and then I had talks with the Palestinian leaders in Ramallah and then with the Israeli leaders in Jerusalem.

Wherever I went, they all warmly welcomed India's decision to appoint a Special Envoy for this region. Some of them said that this was overdue and they had got the feeling that India has lost some of its interest in the West Asia region. They were very happy that the Government had taken this initiative to renew and reiterate its interest in this region. If you recall the speech of Prime Minister at the opening of the West Asia Studies Center in the Jamia Millia University about a month and a half ago, he said that West Asia until recently was an important region of concern to us, but now, perhaps, it is the region of utmost concern to us. As you know most of our energy resources come from there. It is also a highly unstable region at the moment given what is going on in Iraq, the recent developments in Lebanon. The lack of stability in the West Asia region has an impact on us, can have an impact on conditions in India also.

As I said I was told by the governments of this region - parties that I visited - that they welcomed India's decision and looked forward to increased Indian interest and commitment to the region.

I met all the top leadership in these four countries. In Egypt I met President Hosni Mubarak in Cairo. I met the newly elected President Mahmoud Abbas aka Abu Mazen of Palestine. In Jordan I was going to meet the King but unfortunately at the last minute he had to go out of Amman. I saw his number two in the palace. In Israel I met the two Deputy Prime Ministers, Foreign Minister and others.

As you know the Peace Process between the Israelis and the Palestinians has seen many ups and downs over the past decades. Most recently, following the election of Mahmoud Abbas as the President of the Palestinian Authority, there has been some kind of a resumption of the Peace Process. We all know about the Sharm el-Sheikh Summit meeting of February 8th where President Abbas of Palestine, Prime Minister Sharon of Israel, King of Jordan and President of Egypt met. It is at this Summit meeting that the leaders of the two parties directly involved signed what is usually known as a ceasefire agreement. They did not actually sign it but

they issued individual statements towards that. Palestine pledged that the Palestinians would not use violence or force against the Israelis anywhere under any circumstances. The Israeli Prime Minister declared that Israel will not use force against any Palestinian anywhere under any circumstances.

This is a kind of a truce or ceasefire between the two principal parties. This was done with a lot of assistance from the two neighbouring states, Egypt and Jordan, who seemed to have played a crucial role in bridging the differences between the two parties and making it possible for them to meet and come to this kind of an understanding. India welcomed the Sharm el-Sheikh meeting of February 8th. It is following that the Peace Process has sort of resumed.

Mr. Sharon has, I am sure you are aware, embarked on this initiative of his called the Gaza Disengagement Plan. The Gaza Strip is a small area in the Palestinian territory of about 135 square kilometers. Mr. Sharon has declared that he is pulling out of the Gaza Strip unilaterally. Until Mr. Arafat was on the scene he was going to pull out on his own because as he said there was no partner on the Palestinian side to negotiate with. Now that there is a new Palestinian leadership, this is being done in collaboration and cooperation or association with the Palestinians. Egypt is playing a very important role here in providing security. Israel's main concern is that there are about 7500 Israeli settlers in Gaza and these settlers should be allowed to withdraw without anybody firing on them as they are withdrawing or pulling out of Gaza. So, this is a kind of an assurance which Egypt has given on behalf of the Palestinian Authority. I found that there is a glimmer of hope between the Palestinians and the Israelis. You have to wait and see what happens after the Gaza pullout which is to be accomplished by the end of July. So, this is the position.

As far as India is concerned on this Peace Process, they both welcomed India's desire or willingness or readiness to come and help in whatever way India can. As you know the Palestinians are the weaker and the Israelis are the stronger party. Palestinians are looking to India to be able to talk to the Israelis. I must add that I made it very clear to both sides that we have very good relations with both the sides. I told the Palestinian President Abbas that we have excellent relations with Israel. He said that it is good that you have good relations with Israel because this enables India

to talk to Israel with some force. Similarly, to the Israelis I said that we have traditional principled position for strong support to the Palestinian cause and this is not going to be diluted under any circumstances at all. The Israelis had no problem with that. So, I think that places India in a situation where we can talk to both parties candidly and frankly without having to compromise with our own position with one or the other country.

This, in brief, is what happened. If you have any questions or comments I will be happy to deal with that.

Question: Did you get an opportunity to meet any militant faction in Ramallah?

Answer: No, I did not even try to meet at least on this trip. Mr. Mahmoud Abbas is talking to the militant outfits with the active assistance of the Egyptians. Many of these extremist groups have connections with Egypt and Egypt has contacts with them. So, the Egyptians have offered to talk to the militants and to persuade them to observe the ceasefire and so on. On 5th of March there was going to be a meeting in Cairo of all these Palestinian factions with the participation of the President of Palestinian Authority. But after the suicide bombing in Tel Aviv this meeting has been postponed because Israel has said it will not permit these militants to go to Cairo under the present circumstances. Some of them are based in Syria and they were also going to go to Cairo for this conference. So, it could have been very useful, productive meeting in Cairo. But this Tel Aviv bombing has put off this meeting. I do hope that the meeting does take place.

Question: Pardon me asking this question. You have been appointed as Special Envoy to West Asia. This has been unprecedented. What kind of a mandate do you have? Do you derive any powers from PMO as well?

Answer: There has not been a Special Envoy in the past for this region. This is the first time. I carry the mandate of a Special Envoy to the Government of India and so I think I have all the, what you call, powers that I need. The mandate that I need for my job will define itself as we go along.

The main purpose, I think, is to project India in this region, to help the Government evolve a coordinated approach for policy formulation on this region, to make the people in this area conscious of the opportunities in India. I very much hope that many of your tribe would travel to the region

and report on the situation there for Indian audiences and report situation about India to their people. I think more people-to-people contacts... It is not my intention at all to interfere in the functioning of the Embassies. Ambassadors have their own job to do on a day-to-day basis. At the moment I have just been to these four countries. It is my intention as circumstances permit to travel to Iraq and that part of the world to see what India should be doing with regard to the developments in Iraq.

Question: Prior to your appointment did you get a brief from EAM or PMO? Who do you report to – Foreign Secretary or EAM or PM?

Answer: I report to all those people who need to know about what I am doing. Basically I report to Prime Minister, External Affairs Minister, Foreign Secretary – everybody. I have grown up in the Ministry of External Affairs, at least all my working life. The idea is to work in a collegiate manner collectively. I need their help and hopefully they will find me of some use in their work also.

Question: In future do you see any type of mediatory role for India?

Answer: Our own position is that we do not want any outsiders to interfere in our bilateral relations. So, mediatory role may be too much to hope for or to even want to do. We will see what kind of help they want. If they want a mediatory role for us certainly we will be happy to do that. If all parties concerned want India to use our good offices certainly we will do that. But we have to wait for them to come up with any such ideas.

Question: Does your mandate also include meeting others in the Quartet?

Answer: Yes, in the coming weeks I would be meeting the other players. The whole Geneva Process has two co-chairmen – US and Russia. Definitely I would be establishing contact with them.

Question: How do you see the prospects of India-Iraq relations under the new regime?

Answer: The regime is not yet in place in Baghdad. It is not yet there. There have been elections and they are now struggling to form a government. We very much hope that they will be able to establish and install a government, a stable government, as soon as possible in the near future. India, like other countries, can then talk to them, establish relations with

them and see which way India can be of help to the new Iraq. Reconstruction, yes, India would definitely wish to help. That we will do when there is a new government formed or about to be installed. We will think of making a visit there and establish contact with the new leadership in Iraq.

Question: You said that you would be in touch with the Quartet. How do you plan to do that? Do you plan to visit Moscow or US? What is the role of China in the Middle East Peace Process?

Answer: I will establish contact with them either by traveling to Moscow and Washington or in any other appropriate way. It is not important how we do that but it is very important that we establish contact with them. China is not in the Quartet or one of the co-Chairmen of the Peace Process in the Middle East. China is, of course, a permanent member of the Security Council. I do not think China has any specific or defined role in the Middle East Peace Process. But yes, we will talk to the Chinese also.



342. Address by Minister of State E. Ahamed at the 17th Summit of the League of Arab States.

Algiers, March 22, 2005.

Your Excellency Mr. Abdelaziz Bouteflika, President of the People's emocratic Republic of Algeria,
Your Majesties, Highness' and Excellencies,
Your Excellency Dr. Amre Moussa, Secretary General of the Arab League,
Ladies and Gentlemen,

It gives me great pleasure to be here leading the Indian delegation on the occasion of the Seventeenth Summit of the League of Arab States. The occasion is an important milestone as it marks the sixtieth anniversary of the League of Arab States. On this happy occasion, I convey most cordial greetings and felicitations from the people and leadership of India to the member states of the Arab League and the brotherly Arab people. This is also the first ever Indian presence at an Arab summit. We convey our

gratitude to the Government of Algeria and the members of the League of Arab States for this honour.

Relations between India and the Arab World are unique, resting on a civilizational and historical foundation and characterized by people to people contacts and socio-economic exchanges for thousands of years. These age-old interactions have enriched our language and literature, culture and customs and art and architecture. India and the Arab world have been cradle for great civilizations of the mankind sharing a quest for knowledge, scholarship and scientific spirit that have left their indelible imprint on human accomplishments over the centuries.

In modern times, India's support to the Arab causes predates our own independence. As early as the 1920s, Indian National Congress had espoused the cause of Arab unity and the rights of the Palestinian people. I take this opportunity, on behalf of India to reiterate our firm support for the just rights of the Palestinian people, including the establishment of an independent, viable and sovereign Palestinian state. We look forward to cooperating with His Excellency Mahmoud Abbas and his colleagues in the task of reconstruction of Palestinian society. India and the Arab countries have been partners in the struggle against colonialism and for preservation of their independence and sovereignty and the endeavors to control their resources for the development of their countries and for the betterment of the lives of their people. Over the decades a multi-faceted framework of cooperation has emerged between India and the Arab countries encompassing political, economic, cultural and security areas based on shared interests and concerns for peace and stability in the region and for prosperity of their people.

India's presence today at this august Conference is a reflection of its traditionally close relations with the Arab people and countries and a manifestation of the special thrust being accorded by the present Government in India in further strengthening the fraternal bonds with the Arab countries¹, as enshrined in the National Common Minimum Program

1. A press release of the Ministry of External Affairs issued on March 18 said, "This is the first time that India is participating in the Summit of the League of Arab States. India and the 22-member League of Arab States had signed a Memorandum of Understanding in 2002, which provides the basis for regular and structured consultations and cooperation between India and the League of Arab States. India and the Arab countries share close historical relations based on shared traditions which go back many centuries. India's participation in the Summit will give a new thrust to India-Arab relations."

of the ruling coalition government in India. In furtherance of this goal, the Government of India has appointed an experienced and veteran diplomat, Mr. C.R. Gharekhan as Special Envoy to the Arab World.

There is great complementarity between the economies of India and the Arab countries. We value that more than 3.5 million Indians live and work in the Arab world harmoniously and are preferred for their skills, productivity and dependability. The Arab world is predominant source for India's energy requirements. India's relations with the Arab region are of immense significance both in the regional and global context.

India is prepared to share with Arab brethren its experience and expertise in institution and capacity building, governance, science and technology including Information technology and biotechnology, healthcare and higher education. India's economic reforms and vast markets offer fresh openings for mutually beneficial ventures. The era of globalization has created fresh opportunities and new challenges which India and the Arab World can jointly face through enhanced cooperation for mutual benefit.

In conclusion, I would like to convey our gratitude to the Government of Algeria and President H.E. Mr. Abdelaziz Bouteflika for the excellent arrangements made for the Summit meeting and for the gracious hospitality extended to the members of my delegation. On behalf of the one billion people of India and their leadership, I convey our good wishes for the success of the Summit.



343. Address by Secretary (East) in the Ministry of External Affairs Rajiv Sikri at the seminar organized by Arab League Mission on the occasion of 60th Anniversary of establishment of the League of Arab States.

New Delhi, March 23, 2005.

Excellencies, Ladies and Gentlemen, It is a great pleasure and an honour for me to be here for this event to mark the 60th anniversary of the establishment of the Arab League. On this occasion, I offer the good wishes of the government and people of India to the League of Arab States, to all the Arab states and to the friendly, fraternal Arab people.

Since the establishment of the League of Arab States just as the Second World War was coming to an end, the world has changed - in fact, greatly changed. So has the Arab League. It has grown, as was just pointed out, from 7 to 22 members, and I understand the ongoing Summit in Algiers is considering ways on how to adapt the Arab League's functioning to contemporary circumstances. Today, the challenges before all the countries of the world are quite different, certainly much more complex. Our Arab friends can also note with satisfaction that the presence and influence of the Arab world on the affairs of the world as a whole have greatly increased. However, one thing has not changed. That is the need to facilitate multi-faceted intra-Arab ties, and to strengthen Arab unity to promote Arab causes, which was, I believe, the principal rationale behind the setting up of the Arab League.

Another thing that has not changed is the close links of friendship, respect and cooperation between India and the Arab world. The Arab world is indeed very special for India. Our ties go back deep into history, spanning many centuries. Trade, culture, religion, language, philosophy and science and technology - all these have bound the people of India and the Arab world. It is a matter of pride - and reassurance - that ours has been a peaceful interaction. This resulted in the confluence of ideas, of art, of literature, and much else. The Arab world has left an indelible imprint on our history, on our culture and on our civilization.

Above all, it has given to the world and to India the great religion of Islam, which has greatly enriched India's composite culture and civilization.

India's ties with the Arab world languished during the era of colonialism. But we fought together the battles against colonialism and imperialism. India supported the Arab world on the issues that mattered to them. India has a long history of extending consistent and unwavering support to Arab causes. Our approach on issues affecting the Arab world is based on principle, not expediency - whether it related to the partition of Palestine, the Suez crisis or the Algerian independence movement. It is fitting to recall in this 50th anniversary year of the historic Bandung Conference that friendship and cooperation between India and the Arab world constitutes a shining embodiment of the spirit of South-South cooperation that is much talked-about, and has become even more urgent and relevant, today.

The Arab world has always figured very high in India's foreign policy priorities. After all, we are neighbours - united, rather than divided, by the Arabian Sea. In modern times, our traditional bonds have further strengthened and diversified, as our multifaceted ties have steadily and rapidly developed. In recent decades, the Arab world has become an important source of our energy, a growing market for our goods, an important destination for our investments, and a region that provides livelihood to millions of Indians living and working in the region. Thus it is only natural that India considers the Arab world very much a part of its strategic neighbourhood.

Perhaps with no other region of the world has India had such extensive high-level and other exchanges and dialogue as with the Arab world during the last 10 months since the new Government assumed office. The UPA Government's policy is clearly articulated in the Common Minimum Programme and in the President's Address to Parliament in June last year. Some of you no doubt heard the Prime Minister articulate India's policy towards this region in great detail at the Jamia Millia Islamia a few weeks ago. The Arab world is the only area for which the Government has, since then, appointed a Special Envoy. Ambassador Gharekhan is a highly respected and seasoned diplomat with considerable experience and understanding of the Arab world. I am sure he will make a worthy contribution to strengthening cooperation and understanding between India and the Arab world. He would have been here with you today, except that he is in Algiers, as a member of the high-level Indian delegation, led by the Minister of State for External Affairs, Mr. E. Ahamed, for the 17th Arab League Summit that

is taking place there. (I understand that the Minister was given the opportunity to address the League of Arab States Summit yesterday and also had many useful bilateral and other meetings on the margins of the Summit.) Indeed, India's participation in the Summit flows naturally out of the very productive and wide-ranging consultations within the framework of the Memorandum of Understanding of 2002 between India and the Arab League, and takes forward our interaction to a qualitatively higher level.

What does the future hold for India's relations with the Arab world? I believe we have to proceed from the assumption that our destinies are considerably intertwined. Both sides have a legitimate stake in the peace, prosperity and stability of our respective regions. We must create long-term partnerships that are mutually beneficial. The question is: Can we recognize and seize the opportunities for partnership that come our way? India has invested considerable human, and some capital, resources in the Arab world. We believe that this has helped Arab countries in their development. We could do more, much more. We would be happy to share our advantages and strengths in IT, education, health and other sectors. Indians have shared in the growing prosperity of the Arab countries. Concomitantly, as India develops - and the trends in this regard are very reassuring, even if I say so - we invite the Arab world to be active partners and participants in our prosperity and growth. The Arab world has the capital, while India has the opportunities, especially for the development of infrastructure. Ultimately, as our Prime Minister has often said, investment is an act of faith. The more the long-term linkages that India and the Arab world develop, the greater our mutual stake and interest in each other's success and prosperity.

In conclusion, I would like to thank the League of Arab States Mission in New Delhi, and especially Ambassador Dhabiya Khamis Al-Mehairi, for the kind invitation to today's function. I would like to commend Ambassador Dhabiya for organizing this event, that marks an important step in not only celebrating 60 years of the Arab League's existence, but also provides an opportunity to reiterate India's traditionally close, friendly and fraternal ties with the Arab world, and to give new momentum to India-Arab mutually beneficial cooperation in all fields.



344. Statement by A. Gopinathan Deputy Permanent Representative at the UN on the situation in the Middle East at the Security Council.

New York, July 21, 2005.

Please see Document No. 711.



345. Press release of the Prime Minister's Office regarding Prime Minister launching "Look West" Policy to boost cooperation with Gulf.

New Delhi, July 27, 2005.

The Prime Minister, Dr Manmohan Singh, has authorized the Union Commerce and External Affairs Ministries to begin negotiations with the Gulf Cooperation Council (GCC) to conclude a India-GCC Free Trade Agreement. He has also approved negotiations with individual member countries of GCC, namely, United Arab Emirates (UAE), Kuwait, Qatar, Oman, Bahrain and Saudi Arabia for a comprehensive economic cooperation agreement covering services sector and investment.

Chairing a meeting of the Trade and Economic Relations Committee (TERC), Dr Singh said, "the Gulf region, like South-East and South Asia, is part of our natural economic hinterland. We must pursue closer economic relations with all our neighbours in our wider Asian neighbourhood. India has successfully pursued a "Look East" policy to come closer to the countries of South-East Asia. We must, similarly, come closer to our western neighbours in the Gulf."

India's "Look East" policy has facilitated negotiations on a Free Trade Agreement with members of ASEAN. India recently concluded a Comprehensive Economic Cooperation Agreement (CECA) with Singapore and is negotiating an FTA with Thailand. India has an FTA with Sri Lanka and is committed to a South Asian FTA (SAFTA). The new initiative towards the GCC member countries will bring the economies of the Persian Gulf closer to India.

The TERC meeting was attended by External Affairs Minister Mr. Natwar Singh, Finance Minister, Mr. P Chidambaram, Commerce and Industries Minister, Mr. Kamal Nath, National Security Advisor, Mr. M K Narayanan and senior officials of the Government of India and the Prime Minister's Office.



346. Speech by Ambassador Chinmaya R. Gharekhan, India's Special Envoy for West Asia on Regional Security and International Cooperation at 2nd Regional Security Summit organized by International Institute of Strategic Studies.

Bahrain, December 4, 2005.

Dr. Chairman, Excellencies, Ladies and Gentlemen,

I thank the International Institute of Strategic Studies for inviting me and my delegation to this regional security conference, the Gulf Dialogue, here in this friendly and brotherly Bahrain. I also express our deep appreciation to the Government of Bahrain for the warm and extremely generous hospitality extended to all of us during our stay in Manama.

2. I believe I can state without fear of contradiction that of all the "key outside countries", the phrase used by the IISS, that are participating in the Conference, none has had more ancient, more civilization links with this region than India. India's relations with the countries of the Gulf go way back before oil became a factor in international relations. Thus, our links with this region are not energy driven though, of course, energy resources now form an important component of the relationship.

3. The exchanges of ideas, commerce and informed travelers between India and this region have left an indelible imprint on the history and culture of both sides. Arab traders carried Indian spices, precious metals and stones. It was through them that the concept of zero and Indian numerals were transmitted to the West. India received the rich Islamic Culture including the famed pearls of Bahrain and Oman, the Arabic script, Arabic chemistry

and philosophy. Arab writers have left us the recorded history of our medieval courts and our peoples.

4. In modern times, the bonds between India and the Gulf have been further strengthened. The Middle East region, which we in India correctly refer to as West Asia, is an area of immense significance for us. The Gulf region, in particular, by its very proximity constitutes an immediate neighborhood of ours, separated only by the Arabian Sea. As such, India has a vital stake in the stability, security and well-being of the Gulf region. For us, in India, security is not only a military concept but has multi-dimensional facets -energy, economic growth and development, environmental issues as well as geo-political stability. We are convinced, only such a holistic approach will have a realistic chance of reducing and perhaps eliminating the causes that give rise to terrorism. We take pride in the fact that not a single Indian citizen has been implicated in any of the terrorist attacks across the world.

5. The region's energy resources are of vital importance to us as nearly 65 per cent of India's oil and gas requirements come from the Gulf. The region, as a whole, hosts the largest expatriate Indian community abroad with the strength of over 3.5 million. The Gulf is also a major trading partner of ours, with the current annual two-way trade being worth over \$ 16 billion. The economic reforms initiated in India since the beginning of 1990s have led to an ever-increasing growth rate in our GDP which currently averages about 7.5% and is expected to exceed 8% next year. In other words India is poised to become a major player on the international economic scene. Indian companies are investing in other countries in increasing numbers every year. There is no doubt that the countries in the Gulf will discover enhanced opportunities for investment in India as will Indian capital for investment in the Gulf.

6. As the proceedings in this Conference have so clearly brought out, the over-riding preoccupation of the international community in recent years has been with the emergence of terrorism as a global phenomenon. While it took the tragic events of 9/11 to focus world's attention on the threat posed by international terrorism, India has been no stranger to this menace. Indeed, India has been a victim of terrorism for much longer than other countries. Recently about two weeks ago, an Indian citizen, who was

engaged in helping the people of Afghanistan in building its roads, was brutally murdered by the Taliban in Afghanistan.

7. Recent events in Iraq have brought home the fact that a politically unstable area can become the spawning ground of terrorists. Linkages with illicit trafficking in narcotics as well as in small arms have enhanced the destructive potential and lethal reach of the terrorists. The fight against terrorism has to be long-term, sustained and comprehensive. It cannot be ad hoc, selective or compartmentalized in terms of region or religion. No terrorist network can sustain itself without a safe haven and without external support. Thus, the fight against terrorism must not be restricted only to the perpetrators but should also encompass states, which support, sponsor or harbour them.

8. India appreciates the initiative taken by the Kingdom of Saudi Arabia to convene an International Counter-Terrorism Conference in Riyadh in February 2005. India had participated in that Conference. In pursuance of the recommendations of the Riyadh Conference, India supports in principle, the proposal for a draft resolution to be introduced in the United Nations General Assembly by the Kingdom of Saudi Arabia.

9. West Asia is at the cross roads today. The way in which events evolve during the next few years will have a significant impact not only on the region, but on the whole world. It is imperative that stability and tranquility be preserved and maintained or restored where they have been disturbed. In this highly inter-connected world of ours, the very instruments of globalization will contribute to the spread of instability from one country to another and from one region to another. Let me take two examples - Iraq and the question of Palestine.

10. The people of India have feelings of genuine friendship and sympathy for the people of Iraq. We have been deeply pained at the sufferings of the Iraqi people for the past many years. We strongly support the right of the Iraqi people to freely determine their political future and control their natural resources. India welcomed the participation of all sections of Iraq's population in the constitutional referendum and adoption of the new constitution. We are confident that the forthcoming elections on December 15 would see the involvement of all the people of Iraq, leading to the formation of a truly

representative Government. Unstable, strife-torn Iraq is a matter of concern to us in India, since it might also have adverse consequences for our own peace and tranquility. There is urgent need for intensification of the intra-Iraqi dialogue and the need for an inclusive political process. The Iraqi Reconciliation Conference which was held in Cairo in late November under the aegis of the Arab League was a significant initiative undertaken by Mr. Amre Moussa, the Secretary General of the League of Arab States. Only a truly inclusive Parliament and Government will be able to tackle the twin challenges of fighting insurgency and rebuilding the country. India is committed to cooperate with Iraq in its, humanitarian and nation-building endeavors. We have offered our assistance, especially for human resource development in any field desired by Iraq. India is a member of the Iraq Donor Committee from its inception and has participated in the Donors Conferences.

11. As for the Palestinian issue, support for the Palestinian cause has been a central feature of India's foreign policy since even before we achieved Independence in 1947. We believe that there can be no military solution to the Palestinian issue. Both sides must eschew violence and fully cooperate with the efforts of the international community. There should be immediate, permanent and accelerated movement towards tangible political progress and a series of defined steps leading to permanent peace, involving mutual recognition, normalization and security between the two sides. India has welcomed the Gaza disengagement and hopes that it will lead to a resumption of the peace process on the basis of the Roadmap presented by the Quartet and accepted by both sides. As my Prime Minister's Special Envoy, I have visited the region a few times. My most recent visit there was just about two weeks ago. India welcomed the 15 November agreement between Israel and the Palestine authorities on the Rafah border crossing. We appreciate the role played by the US Secretary of State as well as the Envoy of the Quartet in bringing about this agreement. The appointment of a Special Envoy for the Middle East process is an indication of the importance that the Government of India attaches to it as well as of our readiness to be of whatever help that we can render to the two parties. The President of the Palestine Authority Mr. Mahmoud Abbas visited India in May this year and held detailed talks with Prime Minister Dr. Manmohan Singh. During his

visit, India announced an additional grant of US\$15 million for the institution and capacity building for the Palestinian people.

12. In conclusion, I would like to reiterate that the security and stability of the Gulf region as well as of the wider Middle East is of paramount concern to India. As such, we are ready to contribute to the security and stability of this region in any manner feasible. We could identify areas for cooperation like sharing our experiences and expertise in combating terrorism, maritime security, military training, etc. As His Excellency Shaikh Khalid bin Ahmed Al Khalifa said in his speech on Friday 2nd December, the many challenges facing the region and by extension the world, cannot be solved by any one country. I endorse his call for a strong, cooperative and complimentary web of international links as the best long-term guarantee of regional security and stability. He also recognized that other countries and international organizations should recognize the strategic importance of this region and make important contributions. India is willing and able to participate in this cooperative endeavour.



AFGHANISTAN

347. Media briefing by the Official Spokesperson on the visit of Afghan President Hamid Karzai.

New Delhi, February 24, 2005.

Official Spokesperson: Good evening. Firstly let me give you an idea of the discussion today between Prime Minister Dr. Manmohan Singh and President Karzai of Afghanistan, who as you know is here on a working visit. The two delegations met first in a restricted format for about half an hour. This was followed by another 30-40 minutes discussion between the two delegations. This was followed by a signing ceremony and then the Prime Minister hosted a working lunch for the two delegations. Yesterday, as you know the President had hosted the banquet for the visiting President. Two documents were signed today. Firstly, the MOU on cooperation in the field of civil aviation. This is aimed at building capacity and strengthening institutional structure of Afghanistan's civil aviation sector. This would include training in areas of airport management, air traffic control, navigational aids etc, including safety and maintenance of aircrafts. The second was the MOU on cooperation in the field of media and information. It calls for greater interaction between the mediapersons and radio and TV organizations of the two countries. Under India's assistance programme, Government of India has completed the work on TV Satellite uplink at Kabul and downlink at 10 provincial capitals in Afghanistan, which are already operational. Work has commenced on restoration/augmentation of TV hardware in Jalalabad and Nangarhar province. India will be taking up the next phase of augmentation of TV coverage through additional satellite uplinks and downlinks. During the discussions the two sides reviewed bilateral ties in a comprehensive manner and decided to give it high-level direction that will lead to further consolidation of bilateral relations. These ties, as you know, are underpinned by historical links, close cultural commonalities and continuous contacts between the two countries at all levels. Prime Minister congratulated the people and Government of Afghanistan for the commendable achievements that they have made in the last three years. The elections held in October 2004, which also resulted in President Karzai becoming President, were pointed out as a landmark in the history of

Afghanistan and showed that there is a clear mandate given by the people of Afghanistan which reflects both their faith in President Karzai's leadership and the expectations that they have from their government. Prime Minister mentioned that India is committed to providing economic and technical assistance for reconstruction and rehabilitation of Afghanistan. We have already committed up to 400 million dollars and we are executing projects in all parts of Afghanistan in important priority areas, particularly hydropower, road construction, agriculture, industry, telecom, education and health. Prime Minister pointed out that out of the 100 million dollars financial assistance that we announced in Tokyo in January 2002, we have already tied up more than 96 million dollars, and we continue to give stress to the infrastructure sector. Some new announcements were made today to the delegation. One was India's commitment to fund and execute the construction of the power transmission line from Pul-e-Khumri to Kabul as well as a sub-station at Kabul. This project is aimed to address the problem of acute power shortage that prevails in the Afghan capital. Following the signing of the MOU on cooperation in civil aviation, it was also announced that the Indian Airlines will start operating on the Delhi-Kabul sector from March 27 this year. Government is already ready to take up the next phase, as I explained to you, of the expansion of television coverage through satellite uplink and downlink facilities. Also, another project will be undertaken for expansion of cold storage capacity at Kandahar. The Indian side also indicated its readiness to offer for community development programmes that will generate alternate employment in opium growing areas. A pilot project would be identified to be started by the Government of India in such an area.

Question: This is with regards to Afghanistan. A variety of stories say that India is interested in transit rights. Did India ask President Karzai if he could help with Pakistan in this matter?

Answer: As I had briefed yesterday, President Karzai informed us that he has taken up the matter of a trade corridor for Indian exports to Afghanistan with the Pakistani authorities and he would push that further. In the discussions with Prime Minister he reiterated the same position. As you know there already exists a possibility of Afghan goods coming through Pakistan to India but not the other way round. So, clearly this is something which will be mutually beneficial to Afghanistan as well as to India. President

Karzai himself said that he had taken up this matter and he repeated this today.

Question: India has raised this issue with Pakistan but there has not been much response. Is there a possibility that India will raise this issue with Pakistan again?

Answer: When we talk to Pakistan we would be discussing all economic and commercial possibilities and certainly the question of getting transit for India's exports is something which is to the benefit not only of India but of the entire region.

Question: How many flights of Indian airlines are likely to be offered to begin with?

Answer: I do not have details of how many flights. They intend to start the operations on Delhi-Kabul sector on March 27, 2005. The operational details, I presume, will be worked out.

Question: Any further talks on the gas pipeline from Turkmenistan-Afghanistan- India?

Answer: This was mentioned by President Karzai today. They are interested that this pipeline should come through. Prime Minister said that we would be ready to consider this possibility.

Question: Maybe you spoke of this today; Afghanistan is looked at as the prize and the great game. How do you look at this today?

Answer: I did not speak of this today. What I did say is that we have very close historical and cultural ties with Afghanistan which have been cemented over the last 3-4 years by a very substantive assistance programme which has been appreciated by the government and the people of Afghanistan. India's interest remains in helping Afghanistan achieve a level of stabilization and consolidation of its institutions and we are ready to work in whatever field the Afghanistan government and people would like us to on this.

Question: Were any concerns expressed on the resurfacing of Taliban?

Answer: When I say that we are interested in the stabilization and internal security of Afghanistan, that is also covered.

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Question: Did the question of neo-Taliban come up today?

Answer: I do not have a detail whether this particularly was discussed. When the internal situation in Afghanistan is discussed, President Karzai has normally in the past - as with External Affairs Minister yesterday and during EAM's visit to Kabul last week - given his views of the fact that there is a great degree of stability after the elections and they hope to substantiate that further after the Parliamentary and Provincial elections.



348. Memorandum of Understanding between the Government of the Republic of India and the Government of the Islamic Republic of Afghanistan on Cooperation in the field on Media and Information.

New Delhi, February 24, 2005.

The Government of the Republic of India and the Government of the Islamic Republic of Afghanistan (hereafter referred to as the 'Contracting Parties');

Recognising the vital role that Media plays in the promotion of better understanding between countries and in enhancing regional cooperation through greater interaction between media persons and through the dissemination of information about each other.

Also recognising the critical role that media plays in the promotion of democratic values and tolerance in societies.

Desirous of strengthening relations between the Republic of India and the Islamic Republic of Afghanistan through greater interaction between the media persons and radio and TV organizations of the two countries.

Agree as follows:

Promote free flow of information, newspapers, periodicals, books and other publications.

Increase cooperation amongst news agencies of the two countries.

Facilitate travel for media persons.

Hold regular conference of editors and working journalists of the two countries.

Arrange regular exchange of TV and Radio programmes.

Arrange training for media persons of Afghanistan in India.

Hold regular meetings of heads of national TV/Radio organisations to review the working of the assistance projects undertaken by India i.e. Kabul TV Satellite uplink-downlink facility, 100 KW SW transmitter and the renovation of the Jalalabad TV project and any other projects that may be undertaken in the area.

For the establishment of an Afghan Academy of Cinema, India would extend support by providing long term and short term training in Indian academies to Afghan nationals in scriptwriting, direction, cinematography, editing, and sound recording.

The two countries would also make efforts to hold special screening of each other's films in their respective countries.

The Memorandum of Understanding shall enter into force on signature and shall remain in force for a period of three years, automatically renewable for similar three year periods at a time unless terminated by any one party by giving a written notice of 90 days to the other party prior to the date of termination.

Done in duplicate at New Delhi 24th February, 2005

For the Government of
Republic of India
(Shri S. Jaipal Reddy)
Minister for Information &
Broadcasting

For the Government of
the Islamic Republic of Afghanistan
Dr. Sayed Makhdum Raheen
Minister for Information
& Culture



349. Suo Motu statement by External Affairs Minister K. Natwar Singh in the Rajya Sabha on Afghanistan.

New Delhi, March 3, 2005.

Our links with Afghanistan go back many centuries. India-Afghanistan relations are underpinned by historical ties, cultural commonalities and continuous contacts between the peoples of the two countries.

I visited Kabul on 15 February 2005. I met President Karzai, Baba-e-Millat Ex-King Zahir Shah and Foreign Minister Dr. Abdullah. The Ministers of Health and Defence were also separately present at the ceremonial events organized in connection with the inauguration of the new surgical block of the Indira Gandhi Hospital, which has been reconstructed with our assistance and handing over of 49 vehicles¹ to the Afghan National Army respectively.

We welcomed President Karzai's re-election in the presidential election held in October 2004. The people of Afghanistan, especially women, defied the threat of terrorism and turned out in large numbers to exercise their vote.

As Hon'ble Members are aware, we are running several projects in virtually all parts of Afghanistan. These sectors include hydro-electricity, road construction, agriculture, industry, telecommunications, information & broadcasting, education and health.

1. The trucks were valued at Rs. 60 million. This gift is part of a \$ 400 million package of assistance that has been extended to Afghanistan in the wake of the changes in the country's political landscape in the post-2001 period. The Afghan Defence Minister Abdul Rahim Wardak described the Indian assistance to the Afghan Army as an excellent example of regional cooperation. "We look forward to greater cooperation with India", he told journalists as the EAM handed over the keys of the 49 trucks to him. (It may be recalled that India had earlier provided 235 similar trucks.) The EAM said that India had taken up projects in several fields – including education, health, public transport and civil aviation. "We would be happy to cooperate further on the rebuilding of Afghanistan's institutions, including the Afghanistan National Army", said EAM. The Foreign Secretary Shyam Saran told media persons that the Afghan President during his meeting with the EAM said that India should look at Afghanistan as its friend. He quoted Mr. Karzai to say that India must look at Afghanistan as an economic opportunity and as a transit point to Central Asia. He also said that India could help Afghanistan with capacity building in various fields. Natwar Singh assured the Afghan President that even though Indian goods had to take a long route via Iran to reach Afghanistan, India's support to Kabul would continue. EAM said that the construction of the Indian aided Dilaram – Zaranj road, when completed would give direct access to the Iranian port of Chabahar and provide a shorter route for Indian goods to reach Afghanistan.

In my discussions with the Afghan leaders, they expressed keen desire for further deepening of relations in every field and were generously appreciative of our assistance programmes. President Karzai described these as among the most effective.

Subsequently President Karzai came on a working visit from 23-25 February 2005. He called on the President and had talks with the Prime Minister. During the discussions, the two sides reviewed bilateral ties in a comprehensive and cordial manner². President Karzai was accompanied by eight Cabinet Ministers, who had bilateral meetings with their Indian counterparts. Raksha Mantri, Minister of Information and Broadcasting, Minister of State for Civil Aviation and I separately called on President Karzai³.

Two MOUs were signed during the visit. These included an MOU on Cooperation in the field of Civil Aviation. This is aimed at building capacity and strengthening the institutional structure of Afghan civil aviation sector. The MOU on cooperation in the field of Media and Information calls for greater interaction between media persons and radio and TV organizations of the two countries.

India announced its commitment to fund and execute the construction of a power transmission line from Pul-e-Khumri to Kabul and a sub-station

2. Prime Minister took the opportunity to congratulate the people and the Government of Afghanistan on their achievements in the last three years. The elections held in October 2004, which also resulted in President Karzai becoming President, were pointed out as a landmark in the history of Afghanistan. Dr. Manmohan Singh told President Karzai that India remained committed to providing economic and technical assistance to his country.
3. During his 40-minute call on the Afghan President External Affairs Minister thanked President Karzai for the hospitality shown to him and his delegation during his recent visit to Afghanistan. He also briefed him on his subsequent visit to Pakistan and visit of Iranian Foreign Minister to India. President Karzai briefed EAM on his recent visit to Jeddah for the Jeddah Economic Forum and they reviewed positively India-Afghanistan relations. President Karzai expressed interest in getting more Indian teachers and doctors to Afghanistan as well as more vocational training for Afghan students. He also expressed interest in a tele-medicine project for Afghanistan, which would be most useful in view of the difficult terrain of that country. President Karzai also said that he had taken up the possibility of a trade corridor for Indian exports to Afghanistan through Pakistan with the Pakistan Government and would push this further. As far as the India – Afghanistan trade is concerned, the Commerce Minister of Afghanistan during his visit to New Delhi met Commerce Minister Kamal Nath on February 24 when the two Ministers noted the big increase in two-way trade between India and Afghanistan in recent years, which increased from US \$ 42 million in 2001-02 to US \$ 186 million in 2003-04. It may be added that while India's exports to Afghanistan have risen from US \$ 24 million to US \$ 145 million, imports from Afghanistan – mainly fruits – rose from US \$ 18 million to US \$ 41 million during 2003-04.

at Kabul, which has been described as a foremost priority project by President Karzai himself. It will bring electricity all the way from Uzbekistan to Kabul and a segment within Afghanistan, a distance of 200 kms, over some of the most difficult terrain, would be undertaken by India. This will take India's commitment for Afghanistan's reconstruction to US \$ 500 million.

Afghanistan today suffers from acute shortage of skilled and semi-skilled manpower. In the coming period, we also intend to focus on vocational training.

The situation in Afghanistan is gradually stabilizing. We have also been able to consolidate further our relations with the people and Government of Afghanistan.



350. Press release of the Ministry of External Affairs announcing the handing over the third tranche of biscuits for Afghan children to UNWFP in Kabul.

New Delhi, May 17, 2005.

In a ceremony held on May 16, 2005 in Kabul, Ambassador of India to Afghanistan handed over to the United Nations World Food Programme (UNWFP) the third tranche of fortified biscuits for 2005 from India to the children of Afghanistan. These biscuits are part of India's efforts in improving both the health and educational condition of Afghan children. The third tranche, totaling 18000 MT is worth approximately \$ 20 million. 100 gms packets of biscuits are given to nearly one million school children everyday. It acts as an incentive to ensure school attendance. This is the third year during which India is providing assistance, part of the \$ 100 million committed for this purpose in 2002.

Afghanistan's Deputy Education Minister Inayatullah Aman and Deputy Cultural Minister Stanekzai were present during the ceremony.



351. Press release of the Ministry of External Affairs on the call by Afghan apprentice-trainees on President Dr. A.P.J. Abdul Kalam.

New Delhi, May 18, 2005.

25 Afghan apprentices attending a training programme of the Confederation of Indian Industry (CII) Skills Development Initiative called on the President Dr. A.P.J. Abdul Kalam at Rashtrapati Bhawan today.

The Ambassador of Afghanistan to India, Mr. Masood Khalili, who accompanied the delegation, thanked the Government of India and the CII for providing training. The group of 25 Afghan apprentices was provided a two week training course in power tools and portable generators.

Dr. Kalam welcoming the apprentices said that skills are important and was glad that such a programme has been taken up. India and Afghanistan are very good friends and when Afghanistan is prosperous, India is very happy, Dr. Kalam said. The President said any country can become prosperous if it has high employment potential. India is also focusing on providing training to its youths in the areas of agro-industries, small-scale industries and craftsmanship. The President felt that courses in Information Technology could be also introduced by CII. The President felt these courses could be held in Afghanistan so that more people could be trained. The President said this in response to a question by an apprentice that IT courses may be started in Afghanistan.

Office bearers of CII along with the representatives of organizations helping in the training were also present.



352. Briefing points by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and Minister of Foreign Affairs of Afghanistan Dr. Abdullah Abdullah.

New Delhi, July 3, 2005.

External Affairs Minister Shri Natwar Singh and Minister of Foreign Affairs of Afghanistan Dr. Abdullah Abdullah met today in New Delhi.

- EAM reaffirmed India's commitment to reconstruction of Afghanistan through its \$ 500 million debt program.
- Discussed security situation, especially recent spurt in incidents of violence attributed to the Taliban.
- Discussed regional situation and Afghanistan-US Strategic Partnership that was signed on May 23 in Washington.
- EAM thanked Afghanistan for co-sponsoring G-4 resolution.
- EAM thanked Afghanistan for its understanding and constructive role played in OIC¹.



353. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on the "Situation in Afghanistan" at the Security Council.

New York, August 23, 2005.

Please See Document No. 715.



1. This relates to Afghanistan's opposition to resolutions on Kashmir routinely introduced by Pakistan in the OIC.

354. Special media briefing by Foreign Secretary Shyam Saran on Prime Minister Dr. Manmohan Singh's visit to Afghanistan.

New Delhi, August 26, 2005.

Official Spokesperson: Good morning everybody. It gives me great pleasure to welcome Foreign Secretary here to brief you on Prime Minister's visit to Afghanistan. I now request FS to speak.

Foreign Secretary (Shri Shyam Saran): Good morning. Prime Minister will be paying a visit to Afghanistan August 28th and 29th. This is a very important visit. This is the first visit at the level of Prime Minister taking place after 29 years. The last visit by Indian Prime Minister to Kabul was in 1976, if I am not mistaken. Afghanistan is an extremely important country for India. We have very close cultural and historical links with Afghanistan. Afghanistan is strategically very important. As you know, it is not only situated beyond the North-West corner of India but it also has borders with a number of Central Asian countries as well as with Iran and with Pakistan. Since the change of Government in Afghanistan and the restoration of peace in the country, India has made very broad based efforts to support both the stabilization of the country politically as well as to contribute to its economic reconstruction. These two elements are very closely interlinked. Through the many years of war, Afghanistan's infrastructure, its economy, has been almost completely shattered. India is today one of the most important donor countries for Afghanistan and our assistance is very broad based. It is focused on building up of infrastructure, we have also given large scale assistance for the social sector, for example, the health and educational sectors, these two have been very important areas of our assistance programmes. We have also contributed and will continue to contribute to the political stabilization of the country. We have already played an important role in the Presidential elections which were held. As you know, the indelible ink for those elections was provided for by India. The Parliamentary elections are going to be held in September this year. We trust that the process of the consolidation of democracy and political stability will be taken forward by these elections. A very important symbol of our support for democracy in Afghanistan is our announcement that we will build the new Parliament House for Afghanistan in Kabul. When Prime Minister is in Kabul, one of the important events will be the laying of the foundation stone of the

Parliament building. This will be done not by the Prime Minister himself but in his presence by Baba-e -Millat, that is, His Majesty Zahir Shah. President Karzai of Afghanistan would also be present on the occasion. I would like to mention to you some of the important elements of Prime Minister's visit. There will be occasion for him to have both one-to-one as well as delegation-level talks with President Karzai. In addition to the laying of the foundation stone of the Parliament building that I mentioned, there will also be the foundation stone laying ceremony for the new Chancery building, Indian Embassy Chancery building, in Kabul. There would be a visit to the Mazar of Babur, which lies just on the outskirts of Kabul. There would be the handing over of a fully renovated school which has been one of the assistance projects undertaken by India in Kabul. These are some of the events. There will be some fresh assistance (which will be) announced during the visit by the Prime Minister. The focus of some of these new projects would be small developmental projects which would be really benefiting the grassroots level in the country. This will be announced during Prime Minister's visit. This would help in the reconstruction of the country particularly at the local community level. So, although some of the major projects we are involved in are really in the infrastructure sector, we felt the time had come for us to also shift some of the focus to the local community development projects. So, this is going to be an important element in the announcements that will be made during the visit. I would also like to mention here that our assistance programme for Afghanistan is actually one of the largest that we have in any developing country. Currently it is at the level of something like \$500 million. Some of the additional projects which would be announced during Prime Minister's visit - which would be, as I mentioned to you, the small development projects, there will be some additional scholarships which would be announced - will take the Indian assistance to an even higher level. I would like to draw attention here to the fact that part of the difficulty that we have in reaching assistance to Afghanistan is because we have to take a rather circuitous route through Iran to get to Afghanistan precisely because we do not have transit as yet through Pakistan. This will continue to be a constraint on our efforts to assist Afghanistan. Nevertheless, we are working on the improvement of the infrastructure through Iran to Afghanistan. That itself is a very major project which is being undertaken. We hope that with the improvement of this infrastructure our assistance to Afghanistan will become even larger. There is a very close relationship at the leadership level. As you know, President Karzai spent several years here in India. He

studied in Shimla. He has very fond memories of his stay in India. So, at the leadership level we have very close relations. On the political level, our effort has been to contribute to the strengthening of this national consensus, inter-ethnic harmony in Afghanistan because we believe that for the return of political stability in Afghanistan it is important for the different ethnic communities to work together. We have supported President Karzai in this direction in the past and we will continue to do so in the future. This is because, as you know, we also have very close relations with all the members of the so-called Northern Alliance which during the Taliban time was opposed to the Taliban Government. We have very close relations with them. So, currently we have actually a relationship really across the political spectrum in Afghanistan and that gives us the ability to really contribute to the political stability of the country. I would like to also draw attention to the fact that we have time and again stated that the stability of Afghanistan and its economic recovery continues to be hampered by the activities of the remnants of the Taliban. You would have frequently heard us saying that we do not believe that there is a good Taliban or a bad Taliban. We believe that these elements have to be kept under control. Some of the recent incidents which have taken place where there have been some cross-border incidents, insiders coming in from the Pakistani side and indulging in violent acts in Afghanistan, are something that we have condemned. We have offered our full support to Afghanistan in dealing with this threat, newly emerging threat to their political stability. So, there are a number of elements in common in terms of the future. We want Afghanistan to emerge as a democratic, independent, sovereign country fully in mastery of its own destiny. We believe that the relationship with India would contribute to that end. So, Prime Minister is very much looking forward to his visit to Afghanistan. I would like to mention here that Prime Minister's own family in the old days had good trade contacts with Afghanistan. So, this is, from that point of view also, a special event for the Prime Minister. Thank you.

Question : What is the status of the new aid that we are proposing to give to Afghanistan?

Foreign Secretary : It would be something in the range of about \$50 million plus. But there are also some ongoing programmes of which there will be some expansion. For example, there will be an expansion in our scholarship

programme - both the technical scholarships as well as university level scholarships. So, I am not adding some of those figures.

Question: What is our perception of the present political situation in Afghanistan? Secondly, is there any kind of assistance so far as the Election Commission helping Afghanistan in the coming elections is concerned?

Foreign Secretary : As I mentioned, we already have assistance programmes in Afghanistan over a very wide area and the strengthening of the electoral machinery is one such area. We would be very happy to offer training facilities for the election officials from Afghanistan. Our Election Commission is more than happy to do that. There is an MoU between the UN and our Election Commission precisely for assisting the United Nations in countries where the United Nations is conducting the elections and that is the case in Afghanistan. So, through that route also there will be assistance which would be available. We have been told by the Afghan leadership that their main challenge at this point of time is really to develop their human resources. It is often pointed out by them that through these many years of war and internal conflict one of the biggest casualties has been the availability of trained manpower, of civil servants, of technical people. So, they have asked us to help them really develop, what they called, capacity building. This is something which we are providing across the board. We have assisted in the setting up of a vocational training centre in Kabul itself. We already have a large programme for training of Afghans in India. I think in the last couple of years, something like 800 Afghan nationals have been trained in various areas like civil services, also in our Foreign Service Institute, (and) in similar technical areas including information technology. So, I think one of the most valued contributions from the Indian side really has been in the field of human resource development. That, of course, we are willing to expand.

Question : You mentioned that stability of Afghanistan is very important to us. Certain Taliban attacks have happened off late. India has offered full support, could you quantify the nature of support that India might be offering?

Foreign Secretary : We have often stated that it is in our interest to ensure that Afghanistan does not once again become a kind of a centre for extremism or terrorism. Anything which threatens Afghanistan's stability from that point of view is obviously a matter of concern to India. On what is the nature of support we can give, part of the support is precisely in the

form of the economic assistance we are giving. In many of the areas that are affected by such insurgency or revival of violence, there is also the aspect of providing economic benefit and providing livelihood to the population in those areas. There is also the resurgence of the drug problem. You know, drug trafficking in many cases is linked together with terrorism. Now we have initiated a programme on a pilot basis for community development, overall community development in areas which are affected by drug trafficking, providing alternatives to the cultivation of drugs. So, it is a very broad-based kind of approach. We would be happy to strengthen the security capabilities of Afghanistan. We are already doing training, for example for their police forces. As far as the Afghan army is concerned, we have provided about 300 vehicles to the Afghan army which would greatly improve its mobility. If there is further assistance required in this area, we would be very happy to give such assistance. On a broader scale, to the extent that there is a common interest both in Afghanistan as well as in India in confronting this kind of elements, we have and we would continue to have a good information exchange between the two countries.

Question : We have a very old defence relationship with Afghanistan. This has been one of the bloodiest years for the American coalition forces there. And the Afghan army has not been able to form itself the way it was expected. So, with particular reference to what you just said, can we expect any expansion in the defence cooperation apart from giving vehicles?

Foreign Secretary : There is already an ISAF force which is there in Afghanistan pursuant to a UN Security Council Resolution. Basically, the security responsibilities are the responsibility of this particular force. As I mentioned to you, in response to a request from the Afghan side we have made available these vehicles, about 300 vehicles. We have also conveyed that if there is a requirement for any additional support from India for building up the Afghan security capabilities we would be happy to consider that. That in any case is on offer. But this is something which the Government of Afghanistan has to indicate to us what it wishes to have from us.

Question : Will it be with the American approval or will it be by Afghanistan's Northern Alliance Government?

Foreign Secretary : We are not dealing with the Americans here or anybody else. We are dealing with the Afghan Government. We have not sought or obtained any kind of approval from the United States or any other country.

I think it is for the Government of Afghanistan to decide what kind of assistance it wishes to have from India. Where they have indicated that they want this or that kind of support, we have been more than willing to respond.

Question: Besides giving some vehicles to the Afghanistan army, are we also considering extending training facilities to the Afghan National Army soldiers?

Foreign Secretary : As I mentioned, it is for the Government of Afghanistan to indicate what it wishes to have from us.

Question: There have been a lot of reports on the rise of the new Taliban. What is your information on that? Do you think Pakistan has a hand in supporting the new Taliban? I have another question. Are there any joint projects between India and the US in Afghanistan? If there aren't any now are there any planned?

Foreign Secretary : We do not have any joint projects with the US in Afghanistan. But, as I said, just as the United States of America is interested in the early return of political stability and economic recovery to Afghanistan, so are we. That is really the aim of the very large number of projects that we are undertaking in Afghanistan. In so far as the activities of the Taliban are concerned, let us go by what the facts are on the ground. The facts on the ground are that there are hit and run attacks taking place by elements operating from across the border in Pakistan. This is something to which the Government of Afghanistan had itself drawn attention. We have all along stated that this is something which can only undermine the process of normalization of the situation in Afghanistan. There is not only a regional interest but there is a global interest in making certain that this process does not alter and does not get reversed because of the activities of these elements. I think the Government of Afghanistan is very conscious of this threat. I think it has been in touch with the Government of Pakistan with regard to the activities of such elements operating from across the border. As I mentioned, on this the Government of Afghanistan has our full support.

Question: Is there any joint plan with the US for strengthening democratic institutions in Afghanistan, more so in view of the Global Democracy Initiative signed by India and the USA?

Foreign Secretary : We are already contributing to the strengthening of democratic institutions in Afghanistan under the United Nations Democracy Fund which is being established where both India and the US have been in a sense two of the most active participants. If there are any additional programmes which need to be undertaken in Afghanistan we will undertake such programmes under the aegis of the UN Democracy Fund. But, let me repeat that even without such international support, India is bilaterally already contributing a great deal to the strengthening of democratic institutions in the country. As I mentioned to you, our decision to fund the construction of the new Parliament building in Kabul is, I think, a very strong symbol of that kind of support.

Question : Will the PM's flight also have to take the round route via Iran or will it overfly Pakistan?

Foreign Secretary : It will overfly Pakistan.

Question : Afghan elections are scheduled next month. Are we providing any help in conducting these elections?

Foreign Secretary : I think I have already mentioned that we have an ongoing programme for support to the electoral machinery in Afghanistan through training of electoral officers. On the last occasion, if you remember, we provided the indelible ink required for the elections. To the extent that that kind of support needs to be continued or needs to be expanded for the Parliamentary elections, certainly that would be available from Indian side.

Question : What is the Government assessment of the security situation in Kabul? There were reports that the trip to Jalalabad was cancelled.

Foreign Secretary : As far as Kabul is concerned, I do not think there is any difficulty. Prime Minister is, as you know, not only going to be in Kabul for the day but he will be spending the night also in Kabul. So, I think we are reasonably confident of the security situation in Kabul. Naturally there are other areas where the security situation is not so good. With regard to Jalalabad, it was being looked at as a possible additional city on the Prime Minister's itinerary. But after taking into not just security situation but also the number of engagements that the Prime Minister would have in Kabul itself, we decided it is better to focus on Kabul itself.

Question : Are you making any kind of progress in getting Pakistan to give us transit to take our goods to Afghanistan?

Foreign Secretary : No, not yet.

Question : When Hamid Karzai came to India last time, he made a passionate appeal to the business community. Our Prime Minister is a champion of economic cooperation but I find there is no business delegation going with him this time. Is the investment environment in Afghanistan not appropriate enough?

Foreign Secretary : There are a number of Indian companies which are already operating in Afghanistan. For example, there are companies which are involved in some of the infrastructure projects which are being undertaken under some of the international aid programmes in Afghanistan. So, there is a presence of Indian companies in the country. I think what we need to look at is the problem in terms of transportation. That is something which acts as a big constraint on developing our trade relations with the country. The other aspect is the lack of infrastructure and that is something which, knowing full well that business relations will improve, there would be an environment which would attract business from India, once a good infrastructure has been established, and that is the reason why we are involved in the improvement of highways in the country. I mentioned to you that we are very actively involved and contributing a great deal, investing a lot of money in the alternative through Iran because unless there is a good road link from the port in Iran up to Afghanistan, again it becomes rather difficult to move large consignments into the country. So, this is something which we are going about in the best manner possible. How to address the infrastructure that is required which will then enable us to really promote trade and investment between the two countries. But you should not have the sense that Indian business is not there in Afghanistan. Actually there is quite a big presence of Indian companies in the country.

Question: *Mister Saran, you are going to Islamabad for the second round of talks. Would you raise Sarabjit Singh's case there? Along with that there are other Indian prisoners in Pakistani jails, would there be talks on them as well?*

Foreign Secretary: *The question of prisoners has always been on our agenda. Whenever we talk, and shortly there shall be Home Secretary level*

talks, this question will be raised there as well. When I go there, the question of prisoners of both the sides – Pakistani prisoners in India and Indian prisoners in Pakistan, and how this issue is resolved from a humanitarian angle, will definitely be discussed. We have just heard that they have agreed to give consular access to Sarabjit Singh.

Question : Has there been any indication from Pakistan as to what their opinion is in terms of this prisoners' exchange?

Foreign Secretary : We have not talked about prisoner exchange in relation to the Sarabjit Singh case. We have been talking about release of civilian and other prisoners including fishermen who are currently in the custody of Pakistan and also said that as a humanitarian gesture we would also be willing to release those Pakistani prisoners who are in Indian jails. In fact, we have agreed to release a very large number of Pakistani prisoners in India jails. But, the verification process is still being carried out. That is, the Pakistani side which has been given Consular access to these people has to verify that these are Pakistani nationals and would then be willing to take them back. So, that sometimes takes a little time.

Question : Does the Government of India have a view on the manner in which the United States' forces operate in Afghanistan? Whether there is something in the manner in which the forces operate and some of the violations ... (Inaudible)... very light sentences have been given in the cases of brutal murder of prisoners. Do we have a view that this approach is also vitiating the security atmosphere? If so, given growing frankness of exchanges between India and the US would it be something that we would consider raising with the US?

Foreign Secretary : No, the Afghan Government has not raised this as an issue with us. As far as some of the aspects that you have mentioned, it is really for the Afghan Government to raise these issues with the United States. Since this is under the aegis of the UN, I presume that the UN has a certain responsibility in this regard. But, let me mention here that it is really the judgement of the Government of Afghanistan as to what is the role that the ISAF needs to play in the country and the US role as part and parcel of that force. What the Afghan Government has conveyed to us is that in terms of the objective of normalization of the situation in the country in bringing about an improved security situation in the country, they believe that this particular force continues to play an important and positive role. I think we should go

by that judgement. What I have mentioned to you earlier is that we believe that these objectives are also very important for India and independently we are ready to contribute to that objective. I think if you look at the level of involvement of India in Afghanistan over the past few years, I think that is demonstration enough of the very strong interest we have in those objectives being attained. We do have an exchange of views with United States on Afghanistan just as we have as part of our regular dialogue on a number of other regional issues.

Question : I would come back to the issue of transit to Afghanistan through Pakistan. ... (Inaudible)...

Foreign Secretary : Pakistan for some time has itself been saying that Pakistan has a very important role to play as a bridge between South Asia, Afghanistan, the Central Asian countries as well as the Gulf, that this is one of the important economic leverages that Pakistan has. If Pakistan wishes to play that role of a bridgehead, then it is not logical to not permit transit for Indian trade through Pakistan, both ways. Even with regard to the pipeline that we have been talking about, the Iran-Pakistan-India gas pipeline, if there is a logic to this particular pipeline, frankly this logic applies to a lot of other kind of exchanges. It has always been our view that allowing this kind of transit from South Asia to the Gulf or to Afghanistan or to Central Asia is really a win-win situation for both India as well as for Pakistan. Quite apart from the benefits that this brings to the countries in the Gulf or Central Asia or Afghanistan, it is something which spreads economic benefit all around. So, in taking the peace process with Pakistan forward we believe that the development of our bilateral economic linkages as well as developing economic linkages throughout the region, this is something which would make a very major contribution to the establishment of peace, establishment of peace as well as prosperity.

Question: *My question is on the situation in Sri Lanka after the assassination of Lakshman Kadirgamar. There is no consensus between the LTTE and the Government on the question of venue for peace talks. What is the view of Government of India about that?*

Answer: *Their new Foreign Minister has arrived in Delhi yesterday evening. Today he will have discussions with our External Affairs Minister. The whole question will come up for discussion then.*

Question : This is a question on the transit rights. What are the positions that India and Pakistan are taking in talks between them on transit? What is the progress?

Foreign Secretary : I think it should be quite obvious to you that the stand that we are taking is that there should be transit, that transit is something which will bring economic benefit to both India and Pakistan, so, it is in our common interest to promote this.

Question : Is Pakistan being a hurdle?

Foreign Secretary : Well, Pakistan has not yet agreed.

Question : What precautions are the security agencies taking with regard to the safety of Mr. Rahul Gandhi in Kabul?

Foreign Secretary : I am sure that the security agencies will be taking all the necessary precautions to ensure the security of not only Rahul Gandhi but also the entire Indian delegation.

Question : There are some documents which say that the whole Composite Dialogue process ...(Inaudible)... India-Pakistan Joint Commission. Will this be discussed when you meet your counterpart in Islamabad?

Foreign Secretary : We have to discuss with Pakistan what precisely will be the mandate of the Joint Commission. The Joint Commission as it operated in the 80s had both economic as well as trade and also cultural and people-to-people exchanges in its ambit. But the Composite Dialogue is looking at certain very specific issues. For example, we have the Siachen issue, we have the Sir Creek, we are also discussing issues like terrorism, narcotics trafficking. So, it is not very clear at this point of time whether all this can be subsumed under what was originally the mandate of the Joint Commission between the two countries. But, I think when I visit Islamabad we will certainly have an exchange of views as to how both sides look at the role that the Joint Commission can perform, whether its focus will be mostly on the economic relationship between the two countries, or whether we will be looking at a broader format. I would think that the Composite Dialogue has been quite possible in enabling us not only to have a very wide ranging exchange of views on issues that both sides regard as important issues in their bilateral relations. But there also has been some notable progress as well on some of these issues. So, perhaps the Composite Dialogue will still

need to be carried on in the future as well but, perhaps in somewhat of a changed format. But these are things on which no definitive decisions have been taken. I think we really need to have a fuller exchange of views in Islamabad when I am there.



355. Statement of Prime Minister Dr. Manmohan Singh before his departure for Afghanistan.

New Delhi, August 28, 2005.

I am visiting Afghanistan at the invitation of H.E. Mr. Hamid Karzai, President of the Islamic Republic of Afghanistan. In addition to meeting with the Afghan leadership, I will be calling on Baba-e-Millat His Majesty Zahir Shah. India and Afghanistan enjoy traditional bonds of friendship, a shared history, many common traditions and enduring cultural ties. In the last three years our bilateral relations have reached new level of intensity and cooperation. During my visit, I intend to further strengthen our bilateral interaction as well as reiterate our support for Afghanistan's economic reconstruction and rehabilitation. In partnership with the Afghan government, we have been able to implement a significant program of reconstruction assistance. Our present commitment adds up to over US \$500 million since 2002, making us among the top 6 contributors to Afghanistan's reconstruction, a significant effort for a non-traditional donor. We are pursuing development projects in virtually all parts of Afghanistan, covering a wide range of sectors, including hydel power, road construction, agriculture, industry, telecommunications, information and broadcasting, education and health. A stable and prosperous Afghanistan is essential for peace and stability in the region. The Afghan government, under leadership of President Karzai has made commendable progress since the Bonn Agreement of 2001. We are looking forward to the successful conclusion of the parliamentary and provincial elections next month, which will mark the successful conclusion of the Bonn process. Apart from discussing bilateral relations, I look forward to exchanging views with the Afghan leadership on regional and international issues.



356. Speech of Prime Minister Dr. Manmohan Singh laying the foundation stone of the Indian Embassy Chancery Complex.

Kabul, August 28, 2005.

I am delighted to have the opportunity, during my visit to Kabul, to lay the foundation stone of the Indian Chancery complex.

Since we re-opened our Mission three and a half years ago, India's relations with Afghanistan have developed enormously. There is consensus across the Afghan political spectrum that Indo-Afghan ties should be restored to the old footing and that India is a role model for Afghanistan. This event today is a symbol of our belief that Afghanistan will emerge as a stable, democratic and prosperous country and that India is an important partner in helping to bring about this historic transformation of Afghanistan.

There was an unfortunate episode when we had to close our Embassy, when the Taliban entered Kabul in 1996. Fortunately, that phase is behind us now. My visit here today is a sign of our hope for the future of Afghanistan and for the strengthening of our relations with this old friend of India with which we have centuries-old ties of culture and history.

I am told that in the past, the Indian Embassy, particularly the Library and the Film Club, enjoyed great popularity among the Afghan people. In fact, they had made a mark on the cultural life of this great city. The new Chancery complex will also house a Library, a multi-purpose hall for exhibitions and cultural performances. I sincerely hope these facilities will enable the Embassy to once again provide a meeting place to promote friendship between the peoples of our two countries.

I take this opportunity to commend all the personnel of the Indian Embassy in Kabul and the Consulates in Jalalabad, Kandahar, Herat and Mazar-e-Sharif for the excellent job they are doing under exceedingly difficult circumstances. I commend you for your dedication and commitment with which you are promoting the cause of friendship between our two peoples. As the face of the Indian Government and people in this country, you have an important role in strengthening the genuine goodwill that exists between us and in fostering closer friendship between our two countries. I thank you for

your efforts and dedication and commitment in performing these onerous duties under very difficult circumstances.

I Thank You all of you. My best wishes for your future.



357. Speech of Prime Minister Dr. Manmohan Singh at the inauguration of Habibia School.

Kabul, August 28, 2005.

I feel truly privileged to have this unique opportunity today to inaugurate the Habibia School together with His Excellency the President of Afghanistan.

Since the establishment of this prestigious institution over a century ago, India has enjoyed a close and privileged association with this school. In fact, the first Principal of Habibia School, Prof. Abdul Ghani was from India. We have also been fortunate in having been able to send many Indian teachers to serve in this prestigious school.

I am told this institution has always adhered to the highest standards of education. Its alumni have included political leaders, engineers, doctors, diplomats, writers and poets, who have done Afghanistan proud. Suffice to say that among today's leaders, both Baba-e-Millat H.M. Zahir Shah and President Hamid Karzai have passed through the portals of this school. I am confident that the school will continue its good work and produce many more respected leaders of the Afghanistan of tomorrow.

During the more than 25 unfortunate years of conflict, Habibia School suffered major physical damage. We in India considered it a privilege to have been asked by the Government of Afghanistan to undertake the rebuilding of this prestigious School. This gave us an opportunity to be associated with this premier educational institution. We firmly believe that strong educational institutions are the basis of a productive society and a progressive nation. Indeed, these are the very hallmarks of all civilized societies.

Excellencies, Ladies and gentlemen,

While reconstructing Habibia School, we decided to provide laboratory equipment, computers and innovative computer learning techniques through the “hole-in-the-wall” format. During his visit to India this February, President Karzai had personally witnessed how this computer-learning scheme was generating keen interest amongst the children of India. We hope that the children of Habibia too will explore the frontiers of knowledge and contribute to making Afghanistan a strong, prosperous and peaceful country.

India has always laid great emphasis on the development of human resources in our own development strategy. We have today achieved a diversified and advanced education and training infrastructure. I am happy to learn that India remains the preferred destination for pursuing education as well as professional training for Afghan students. We take pride in the fact that the President of Afghanistan is an alumnus of Himachal Pradesh University, which happens to be in India.

Currently, we provide less than 100 slots under the ITEC Programme and Colombo Plan for short-term professional training courses and 14 scholarships for pursuing university education in India. We realize that this number is inadequate. We have, therefore, decided to increase it to 1000 scholarship annually to Afghan students. This will include 500 scholarships for university education and 500 slots for short-term professional training courses under the Indian Technical Assistance Programme.

In the coming period our efforts would be to further consolidate our participation in the reconstruction efforts of the Government and people of Afghanistan. In this endeavour, I am confident, Habibia School will be a symbol of long lasting friendship between India and Afghanistan.

I wish you all success in your noble endeavours. May your path be blessed!

Thank you very much.



358. Speech of Prime Minister Dr. Manmohan Singh at a banquet hosted in his honour.

Kabul, August 28, 2005.

I thank you for your gracious welcome, not just on behalf of my delegation and myself but on behalf of the people of India. The extraordinary warmth and hospitality that we have enjoyed reflects the historic and brotherly bonds between our two peoples. For me personally, this is a very sentimental journey and a memory I shall always cherish.

Excellency, India and Afghanistan are two nations linked by geography, bound by a shared history and by many common traditions and cultures. Our people have preserved this relationship through the traumatic events that Afghanistan has undergone over the last three decades. We have shared the pain of the Afghan people caused by the devastation that this nation has suffered.

That is why we took the pledge in 2001 in Bonn to work with you and other partners to rebuild this ancient land and help it fulfill its destiny as a modern, united country living in peace and prosperity.

Since then, our economic partnership has evolved into a multi-dimensional programme. This encompasses education, health, telecommunications, transport, civil aviation, agriculture and irrigation, industry, power generation and transmission and human resource development. I have no doubt that this cooperation will only expand in the years to come. Our vision of this partnership focusses on simultaneously achieving the common goal of regional growth and development for all our peoples.

We have watched with admiration the progress Afghanistan has made under its wise and able leadership over the last three and a half years. A new Constitution has been adopted. The Afghan people participated in the Presidential elections with unprecedented enthusiasm and especially significant was the large turnout of women. The democratic process will move forward with the Parliamentary elections next month. Afghanistan is playing a leading role in tackling the common threat from global terrorism. We share your concern about the recent upsurge in violence in some of the provinces. We are convinced that given political will and commitment, this challenge can be addressed.

What is important is that the Afghan people have demonstrated that they welcome democracy, desire prosperity and seek to become a source of stability in the region. As democratic societies, we work to foster tolerance and pluralism because it is only in such an environment that our people will realize their true potential.

Afghanistan today faces major developmental challenges and the infrastructure of physical and human resources need re-building. On behalf of the Government and people of India, I reiterate our commitment to working together to support you in your efforts to make Afghanistan a stable and prosperous state, and in achieving for the people of Afghanistan the dreams that you cherish and that we share.

In closing, I would like to quote from a couplet of your celebrated poet, Bedil, whose life and works are a bridge between our people.

He wrote :

“Sobh-e-keshwar Afghan yasmeen baharasteen

Bu-e-naaz mi ayaad jalwah gah-e-yaarasteen”

[The beautiful Afghan dawn is like blossoms of Jasmine full with the fragrance of love coming from the heart (abode) of a friend.]



359. Joint statement issued during the visit of Prime Minister Dr. Manmohan Singh to Afghanistan.

Kabul, August 28, 2005.

At the invitation of His Excellency Hamid Karzai, President of the Islamic Republic of Afghanistan, His Excellency Dr. Manmohan Singh, Prime Minister of the Republic of India, is currently paying a state visit to the Islamic Republic of Afghanistan (28-29 August, 2005).

During the visit, the two leaders held talks on a broad range of bilateral issues as well as regional and international issues of common concern. They expressed satisfaction at the progress in bilateral relations since President Hamid Karzai's visit to India (23-25 February, 2005) and agreed to take this relationship into a new stage of partnership. They affirmed that India and Afghanistan enjoy a warm and friendly relationship underpinned by historical ties and cultural links. The time tested friendship between the people of the two countries has strived many challenges and is today based on a shared commitment to the ideals of democracy, peace and security.

India remains fully supportive to the goal of a sovereign, stable, democratic and prosperous Afghanistan. Both leaders agreed that such an Afghanistan is also necessary for peace, security and stability in the region. The two leaders condemned global terrorism as threat to democracy and declared that there can be no compromise with those who resort to terrorism. They reiterated their commitment to work together to ensure that Afghanistan would never again become a safe heaven for terrorism and extremism.

India has admired the courageous steps taken by the Afghan Government and the people, under the leadership of President Hamid Karzai, towards the restoration of peace and the adoption of a democratic polity while addressing the challenge of economic development and reconstruction. President Hamid Karzai thanked India for its demonstrated commitment in Afghanistan by providing more than \$ 500 million for projects in the area of infrastructure, humanitarian assistance and institutional and human resource development. Prime Minister, Dr. Manmohan Singh reaffirmed India's continued commitment and pledged an additional \$ 50 million assistance to Afghanistan.

In the presence of Prime Minister, Dr. Manmohan Singh and

President Hamid Karzai, bilateral cooperation agreements in the areas of Agriculture and Health were signed. A new initiative on 'Small Development Projects' has been launched to work with local communities in development programmes. Following on a pilot project undertaken by the Confederation of Indian Industry in pursuance to President Karzai's visit to India earlier this year, the two Governments agreed to launch a "Skill Building Initiative" in Afghanistan in partnership with the Confederation of Indian Industry and the United Nations. Prime Minister Dr. Manmohan Singh announced that India will adopt 100 villages in Afghanistan to promote integrated rural development by introducing solar electrification and rain water harvesting using technologies that have been developed and successfully demonstrated in India. While announcing a gift of 1000 sewing machine to the Ministry of Women's Affairs, it was agreed that India would assist in establishing a Women's Vocational Training Centre in Kabul.

Prime Minister Dr. Manmohan Singh welcomed President Hamid Karzai's suggestion to make greater use of Indian institutions for training of Afghans. In order to accelerate the human resource development process, Prime Minister Dr. Manmohan Singh announced 500 scholarships for Afghan students for university education and in addition, 500 short-term training fellowships under the ITEC programme for Afghan men and women. A symbol of long-standing cooperation between the two countries in the field of education is the 102-year old Habibia School which was destroyed in the war and after it's rebuilding by India, will be jointly inaugurated by Prime Minister Dr. Manmohan Singh and President Hamid Karzai later today.

To support Afghanistan's steps towards democracy, both countries will expand their cooperation in building of democratic institutions, infrastructure and human capacity. India welcomes the forthcoming Parliamentary elections which mark a significant milestone in this process, and has already set up dedicated training programmes for Afghanistan officials. Tomorrow, Baba-e-Millat His Majesty Mohammad Zahir Shah will lay the foundation stone of the new Parliament Building in the presence of Prime Minister Dr. Manmohan Singh and President Hamid Karzai at Darul Aman. India has already committed US \$ 25 million for the construction of the Parliament.

President Hamid Karzai shared his vision of restoring Afghanistan's historical role as a land bridge between Central Asia and Indian sub-continent

and the initiatives taken by rebuilding its road network. Prime Minister Dr. Manmohan Singh endorsed this vision as a important step for promoting regional cooperation by encouraging, both trade and people-to-people contact among the countries of the region.

In this context, President Hamid Karzai conveyed Afghanistan's interest in seeking closer links with SAARC. Prime Minister Dr. Manmohan Singh welcomed this initiative and affirmed India's support for Afghanistan's engagement with SAARC¹. The two leaders endorsed the need for greater consultation and cooperation in a future project of a Turkmenistan² gas pipeline to India that would pass through Afghanistan and Pakistan.

The two leaders reaffirmed that Afghanistan and India have a common interest in reinvigorating the past ties and developing a new partnership for the 21st century. The two leaders emphasised the importance of regular high level exchanges between the two countries. Prime Minister Dr. Manmohan Singh extended an invitation to President Hamid Karzai to visit India at a mutually convenient time. President Hamid Karzai conveyed his acceptance to the invitation.



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1. On the question of closer association of Afghanistan with SAARC President Karzai later told journalists that he was glad to have received a positive response from India on the issue. "We are also glad to have had the same positive response from President Musharraf of Pakistan. So Afghanistan is very keen on SAARC and hopes to be a contributor and receiver from that organization."
 2. Prime Minister Manmohan Singh clarified that India wanted gas both from Iran and from Turkmenistan. "It is not a question of preferring one over the other," he said in reply to a question about India's preference of getting gas through pipelines either from Iran or Turkmenistan. "We need both the Iran-Pakistan and the Turkmenistan-Afghanistan-Pakistan-India pipelines. India's need for commercial energy are increasing at an explosive rate," he said on the first day of his 2-day visit. India's economy was growing at a rate of 7 to 8 percent per annum; therefore there was an enormous demand for unmet commercial energy, which was going to increase, he said. He added that Afghanistan was keen on Turkmenistan pipeline since it would pass through Afghanistan thus earning it large revenues.

360. Speech of Prime Minister Dr. Manmohan Singh at the foundation stone laying ceremony of the Afghan Parliament.

Kabul, August 29, 2005.

I feel greatly honoured and privileged to be present here today as we mark the opening of a new page in the history of this blessed country of Afghanistan. It is an honour that gives me particular satisfaction, as a friend of Afghanistan and a representative of the Indian people who constitute the world's largest democracy and the oldest in this region.

Today, as Baba-e-Millat lays the foundation stone of the Parliament of the Islamic Republic of Afghanistan, the roots of a plant are being laid that will, through your nurturing and care, grow into a sturdy 'panja chinar' of democracy.

Representation is the very essence of democracy. This edifice, when it is built, will be the very heart of democracy in Afghanistan. We believe that democratic institutions need to be encouraged, nursed and promoted. We also believe that they should develop and evolve in accordance with the culture, values and native genius of each country.

We are partnering other democracies through the Global Democracy Initiative and have contributed \$10 million to the UN Democracy Fund to be used to promote institutions based on the eternal values of liberty, equality and fraternity.

Afghanistan may be a young democracy but it has always been a plural society, with a unique mosaic of different ethnic and linguistic groups. The Afghan people have a tradition of democratic discourse through institutions like the Loya Jirgas. The practice of consensual decision-making in Afghanistan is centuries old.

We have seen the affirmation of this democratic culture through the successful conclusion of both the Emergency Loya Jirga and the Constitutional Loya Jirga. We admire and respect the manner in which this exercise was carried out under the gaze of international media and observers and we salute our Afghan brethren on this remarkable achievement. By a happy coincidence, 26th of January, the Indian Republic Day, also marks the day when the Afghan Constitution came into effect in the year 2004.

Democracy thrives in open societies. But open societies, whether old or young, are equally threatened today by the rise of global terrorism. In fact, the open culture of our societies makes us all the more vulnerable. Globalisation has made the world inter-connected and inter-dependent. To deal effectively with global terrorism, democracies need to work together. Afghanistan has a unique position in this alliance of democracies that are fighting this menace. We are ready to work with the Government and people of Afghanistan to ensure that Afghanistan will never again be hostage to or become a haven for terrorists.

Excellencies, ladies and gentlemen,

The real test of a functioning democracy does not lie within the pages of the Constitution. That will lie in the august House where the elected representatives of the Wolesi Jirga and Meshrano Jirga will sit and debate the issues of the day. Our initiative to join you in building the Afghan Parliament marks the beginning of a new and strengthened friendship between our two countries and peoples. It reflects our commitment to work with all of you for a democratic, stable and prosperous Afghanistan.



361. Opening statement of Prime Minister Dr. Manmohan Singh at the press interaction (For Indian Media).

Kabul, August 29, 2005.

My visit to Afghanistan has been a special experience for me. The warmth and hospitality that we have enjoyed during our visit has been extraordinary and reflects the sentimental and brotherly bonds between our two peoples.

2. This was a visit that has been overdue. During the visit, I affirmed to my hosts that India seeks to revive the historical ties with Afghanistan, which would truly reflect the warmth and friendship between our people. I conveyed that Afghanistan has no truer friend than India.

3. I have had extensive discussions with the leadership of Afghanistan and we had productive discussions on how to strengthen our bilateral

cooperation. We also discussed the regional and international scenario and the problem of terrorism that is afflicting the region and the world. I also paid a courtesy call on Baba-e-Millat His Majesty Zahir Shah. His Majesty laid the foundation stone for the Afghan Parliament building, which is being built with Indian assistance. I jointly inaugurated the famous Habibia School with President Karzai.

4. A Joint Statement is being issued, which reflects what we have discussed and sets out a path for the development and intensification of our relations in the years to come. The Statement reiterates our belief that the emergence of a moderate, democratic and prosperous Afghanistan is essential for peace and stability in the region. Further, that India is ready to work with the Government of Afghanistan towards this end.

5. As a demonstration of our continued commitment to the reconstruction of Afghanistan, the Government of India has committed an additional US\$ 50 million of financial assistance. This will bring our total commitment to over US\$ 500 million, which is a significant effort for a non-traditional donor. In the next phase of our cooperation, we wish to focus on small development projects, which have a direct impact on the common man, especially in rural communities.

6. We have signed Agreements in the areas of small development projects, healthcare and medicinal science, agricultural research and education and tourism. These Agreements reflect the growing diversification of our ties and the potential of a mutually beneficial, multifaceted cooperation.

7. Our assistance for the construction of the Afghan Parliament Building reflects the importance that we attach to the establishment of a durable political system in Afghanistan and the development of democratic institutions in the country.

8. I have extended an invitation to President Karzai to visit India. He has accepted the invitation and I look forward to receiving him there and reciprocating the warm hospitality we have received here.¹



1. Prime Minister in answer to questions said that the “effectiveness” of India’s relationship with Afghanistan areas can “improve significantly” if Islamabad agreed to grant transit rights for Indian goods. “President Karzai has always been supportive of India’s request that Pakistan

362. Statement of Prime Minister Dr. Manmohan Singh on return from Afghanistan.

New Delhi, August 29, 2005.

I had a very productive visit to the friendly country of Afghanistan. Afghanistan is engaged in a gigantic process of reconstruction and development. It is emerging from the shadow and after effects of destruction, war for nearly twenty years. It has been India's privilege to be a partner in the processes of economic reconstruction and development. We are not a traditionally donor country, but we have committed already \$500 million for reconstruction and development effort of Afghanistan and yesterday, I announced another \$50 million for the construction and development of Afghanistan and I was very pleased to note that our assistance, which has reached out to almost all parts of Afghanistan covers some of the key areas crucial for development like infrastructure, roads, transport, electricity, civil aviation, social infrastructure, education and health, agriculture and irrigation. This assistance is greatly appreciated by the Government and people of Afghanistan. We have identified further areas in the sphere of health, agriculture where we could work together to accelerate the tempo of social and economic development of Afghanistan. So, I come back reinforced in my conviction that India and Afghanistan are partners in development. During

gives us normal transit rights for the movement of our goods to and from Pakistan into Afghanistan and Central Asia...the main issue is to persuade Pakistan," he said. Asked if India's relationship with Afghanistan was being held hostage to its relationship with Pakistan, Dr. Singh said that while he would not like to use such strong words, "it is certainly true that the effectiveness of our cooperation in many areas will improve if Pakistan is also on board." Asked about the problem of "cross-border terrorism" from the Pakistan side being faced by India and Afghanistan, Prime Minister said "we have discussed all issues (with the Afghan side)," and "I am quite satisfied with the outcome of the visit." With respect to bilateral relations with Afghanistan, he said India's emphasis would now be on small development projects "which have a direct impact on the common man, especially in rural communities." On the possibility of expanding security cooperation with Afghanistan and whether India had a problem with the "lead Nation structure" [in which the military assistance has to be channeled through the US], Prime Minister said India "is not in the business of thrusting cooperation, whether security cooperation or economic cooperation, on any unwilling country." The Government of Afghanistan was the sole determinant of what sort of cooperation was required from India. "This is an on-going process. We share views. We share perspectives, and we act accordingly. There is no more to it than this (rather than) that we don't like a particular set-up." Separately the Indian officials said that for the moment, India was looking only at an expansion in its training programme for the Afghan Police. Reacting to Indian desire for transit facility through Pakistan, Shaukat Aziz, Pakistani Prime Minister said in Lahore that his country would not allow transit facility for India for exports to a third country unless "the core issue of Kashmir" was resolved.

my visit, I took part in the ceremony, where Baba-e-Millat, former King - Zahir Shah, laid the foundation stone of the building for Parliament of Afghanistan. This building is going to be constructed by CPWD out of the grant that the Government of India is making. Next month, Afghanistan is going to have elections to its Parliament. So, my visit coincided with a major historical juncture in Afghanistan's history, when Afghanistan is to emerge as a democratic polity, with commitment to individual rights, rule of law, an open society and open polity. It is a privilege for India to be a partner in the path that Afghanistan has chosen. So I come back with a great sense of satisfaction that our two countries are working hand-in-hand to accelerate the tempo of social and economic development and to strengthen the democratic foundations of the polity of Afghanistan.



363. Statement by Official Spokesperson on the holding of Parliamentary and Provincial elections in Afghanistan.

New Delhi, September 19, 2005.

India welcomes the holding of the Parliamentary (Wolesi Jirga) and Provincial elections in Afghanistan on September 18th, 2005. They constitute an important stage in Afghanistan's journey towards a peaceful, stable and prosperous society and demonstrate the choice of the Afghan people for a non-violent and democratic way of life.

India's support for a sovereign, democratic and prosperous Afghanistan was reiterated during the visit of Prime Minister Dr. Manmohan Singh to Kabul in August 2005. India stands ready to continue contributing to the task of rebuilding Afghanistan, including through the strengthening of Afghanistan's democratic institutions.



364. Media briefing by Official Spokesperson on Indian national being taken hostage in Afghanistan.

New Delhi, November 21, 2005.

Official Spokesperson: Good evening. You have all been following the case on the Indian national who has been taken hostage in Afghanistan. I will give you the facts of the case as far as we know them at the moment but I would not be able to go into much more detail than what we can tell you at this stage.

The Government of India has noted with deep concern the kidnapping of one of its nationals, Shri Maniappan Raman Kutty, a driver with the Border Roads Organisation in Afghanistan. Shri Kutty was kidnapped along with another Afghan driver and two security guards, who were travelling with him from Gurguri to Minar in Nimroze province where BRO is undertaking a road construction project from Zaranj to Delaram.

This incident took place on November 19, 2005 in the afternoon and the same evening an unidentified caller claimed that the kidnapping had been carried out by the Taliban.

The Embassy of India in Kabul has been in touch with the Afghan authorities to seek their urgent assistance in ensuring the safe and early return of Shri Kutty. Security for Indian personnel working on the highway project as well as other projects has been strengthened by the Afghan authorities to ensure their safety.

The Prime Minister was briefed this morning on the incident and has directed that all efforts be made, in cooperation with the Afghan authorities, not only to seek the safe return of Shri Kutty, but also to ensure the safety of all Indian nationals currently deployed in Afghanistan on various projects.

Cabinet Secretary has set up a group comprising of officials from Ministries of Home and External Affairs and security agencies to monitor developments in this regard on a regular basis.

The BRO is extending all possible support to the family of Shri Kutty.

This is the update that I can make available to you at the moment and if there are other developments in this regard we will let you know.

Question: Any comment on reports that it has been carried out by Taliban?

Answer: I think I have given a very exact position. I am telling you that the incident took place on 19th of November in the afternoon and the same evening an unidentified caller claimed that the kidnapping had been carried out by the Taliban.

Question: Any deadline of 48 hours?

Answer: As I told you our Embassy is in touch with the Afghan Authorities to seek their assistance in this regard. I would not like to go further than that.

Question: How many Indians are there in Afghanistan?

Answer: There are 290 Indians in Afghanistan at the moment.

Question: Any plans to withdraw them?

Answer: I have given you the exact position that we are working with the Afghan authorities to ensure the safety of all Indian nationals currently deployed there.

Question: There are other projects in which Indians are involved. What about their security?

Answer: I have just mentioned the total figure of Indians in Afghanistan is 290 and we are working with the Afghan authorities to ensure the security of all Indian nationals deployed in various projects.

Question: What are these projects?

Answer: There are a number of projects in which India is involved in various infrastructural fields.

Question: Who did the unidentified caller call?

Answer: If you recall, the call was received by a news agency.

Question: Are we sending a special envoy to Afghanistan?

Answer: Presently our Embassy is in constant touch. The Prime Minister's instructions, I have told you. And I have given you details about the group that has been set up by the Cabinet Secretary. That is where we are at the moment.



365. Media briefing points by Official Spokesperson on telephone conversation between Prime Minister Dr. Manmohan Singh and President of Afghanistan Hamid Karzai.

New Delhi, November 23, 2005.

- President Hamid Karzai called up Prime Minister a short while ago and expressed his condolences (on the killing of Shri Maniyappan Raman Kutty of the Border Roads Organization). He also said that security will be increased for all Indian personnel in Afghanistan.
- Prime Minister thanked him for the call and said that India's resolve to assist Afghanistan remains unshaken.
- President Karzai said that Afghanistan highly values India's assistance¹.



1. When Minister of State E. Ahamed visited Kabul and met with President Karzai on December 4, he was assured by the latter that Afghanistan had strengthened security for the Indians after the unfortunate murder of Maniyappan. On his part the Minister assured President Karzai that India remained committed to reconstruction work in Afghanistan.

366. Press release of the Ministry of External Affairs saying that the Indian abducted in Afghanistan had been killed by his abductors.

New Delhi, November 23, 2005.

We have just received a report from Delaram in Afghanistan that Shri Maniyappan Raman Kutty of the Border Roads Organization, working on the Zaranj-Delaram road project in Afghanistan has been killed by his abductors¹.

It will be recalled that Maniyappan Raman Kutty along with three Afghan nationals had been abducted on 19 November 2005. The Taliban claimed responsibility for the abduction. We strongly condemn this inhuman and barbaric act against an innocent person. The Taliban and its backers bear the responsibility for the consequences of this outrageous act. We earnestly hope that the perpetrators will be brought to justice swiftly.

The Government of India expresses deep shock and profound grief at the tragic death of one of its citizens who was working on an India-Afghan Friendship project with utmost devotion and diligence. His untimely death is a loss to the Border Roads Organization and to the country, which salutes the ultimate sacrifice he has made to the cause of India-Afghan friendship. We extend our heartfelt condolences to the bereaved family members and assure them that no stone will be left unturned, to ensure their livelihood and security. The family will receive a total of Rs. 10 lakhs as compensation

1. A day earlier there were unconfirmed reports of Shri Kutty being killed by abductors but since the Ministry had no official confirmation and neither did the Afghan Government confirm the report, the Government in Delhi was keeping the fingers crossed while checking the news. Meanwhile media quoted the National Security Advisor M.K. Narayanan on November 26 to having said in Ottappalam (Kerala) that Pakistan had a 'hand' in the killing of Maniappan. He was quoted by mediapersons to have said that Islamabad which 'did not like' the growing friendship and cooperation between India and Afghanistan 'supported' the Taliban in this heinous crime. He was reported to have added that the act of killing an Indian worker would not deter India from taking up peace-time construction works in Afghanistan and cementing its friendship with that country. But on November 29 the Defence Minister Pranab Mukherjee told the Parliament that India did not seek Pakistan's help in securing the release of Maniappan but Islamabad expressed its inability to help as it did not have relations with the Taliban in Afghanistan. The Defence Minister also added that National Security Advisor Narayanan was "misquoted" as having stated that Pakistan had a hand in the killing. (Document No. 367.)

and benefits, with free education to the secondary level for Shri Raman Kutty's two children.

Since the abduction was confirmed, the Government of India has made every effort possible to seek his safe release in cooperation with Afghan authorities. The Government also worked with its own network of contacts in Afghanistan to this end. Unfortunately, these did not prove of much avail.

The Border Roads Organization is engaged in building a road in Afghanistan that is vital for its development and the welfare of its people. It is inconceivable that anybody should be opposed to it and threaten those working on it.

Government of India remains firmly committed to assisting the Government and people of Afghanistan in their quest for economic development and building a stable and prosperous country. Government is in touch with Afghan authorities to ensure the safety of all Indians in Afghanistan. The Cabinet Secretary has also reviewed the security arrangements with concerned Ministries and agencies, to ensure the safety of all Indian nationals in Afghanistan.



367. Statement by Minister of Defence Pranab Mukherjee in the Lok Sabha on the killing of official of the Border Roads Organization in Afghanistan.

New Delhi, November 28, 2005.

With a heavy heart, I rise to speak on the tragic killing of an official of the Border Roads Organisation (BRO), Shri Maniappan Raman Kutty, who was working in Afghanistan on the Zaranj-Delaram road project as a driver. The Border Roads Organisation is engaged in building a 218 kilometres road in Afghanistan. This road is vital for its development and for the well being of the Afghan people. It is inconceivable that anybody should be opposed to it and threaten those working on it. The Government is deeply shocked and grieved by the death of Shri M.R. Kutty who was killed in harness in Afghanistan. He was a sincere and dedicated worker of the BRO.

Shri Maniappan Raman Kutty was abducted on 19th November 2005 along with three Afghan nationals. Upon receiving this news, the Indian Embassy in Kabul immediately established contact with Afghan authorities and sought their help in locating the whereabouts of the hostages and also to seek their safe and secure release. The next day on 20th November 2005, the Taliban claimed responsibility for the abduction and demanded the withdrawal of the BRO from Afghanistan within 48 hours, failing which the Indian hostage would be killed.

This was done in a telephone call to a news agency and no effort was made by the abductors to contact either the Embassy or the BRO. The Afghan Government too was unable to establish contact with them.

I would like to assure this House that the Government of India made every effort possible to seek the safe release of Shri Maniappan Raman Kutty in cooperation with the Afghan authorities. President Karzai himself took charge of these efforts by convening a special Cabinet Meeting and setting up a Task Force to deal with the crisis.

In Delhi, hon. Prime Minister personally monitored developments in this regard. Upon his instructions, a group comprising officials from the Ministries of Home, External Affairs, Defence and security agencies was set up under the Cabinet Secretary to monitor developments on a regular basis. The family of Shri Maniappan Raman Kutty was also contacted for extending support and solace to them in their hour of need.

Late in the evening on 22nd November 2005, some news agencies reported that they had received calls from people claiming to represent the Taliban stating that they had killed the Indian hostage. The news was confirmed the next day when Shri Maniappan Raman Kutty's body was found near Delaram. Arrangements to send his mortal remains to his hometown for the last rites have been made by the Government.

The Taliban and its backers bear the responsibility for the consequences of this outrageous act. The perpetrators of this heinous crime must be brought to justice swiftly.

The Government remains firmly committed to extending support and assistance to Afghanistan in its quest for economic development and building a stable and prosperous country. We are in touch with Afghan authorities to

ensure the safety of all Indians in Afghanistan. We have also reviewed the security arrangements with concerned Ministries and agencies. A team led by DG BRO has already left for Afghanistan to review security arrangements of our people.

We strongly condemn this inhuman and barbaric act against an innocent person. Shri Maniappan Raman Kutty was working on an India-Afghan Friendship project with utmost devotion. His untimely death is a loss to the Border Roads Organisation and to the country. We value the ultimate sacrifice he has made to the cause of India-Afghan Friendship. Our heartfelt condolences go to the bereaved family members. We assure them that we will ensure their livelihood and security. The family will receive a total of about Rs.9 lakh as compensation and benefits with free education to the secondary level for Shri Maniappan Raman Kutty's two children, and liberalised family pension for Mrs. P.Bindu widow of the deceased in addition.

I wish to assure the House once again that we attach the utmost importance to the safety and security of all our citizens and will not hesitate in taking whatever measures are necessary in order to ensure this¹.



1. Referring to the reported remarks of National Security Advisor regarding the role of Pakistan, the Defence Minister at the end stated that "I would just like to clarify one point raised by hon. Leader of Opposition. I have inquired about this from the National Security Advisor this morning. He is not here, he is in Kerala. What he told me was that he had been misquoted. He did not say that Pakistan is responsible for it. In the course of his conversation with the press somebody asked him and he narrated the past. He said that in the past Pakistan had contact with Taliban and he mentioned that incident. Now, when we tried to have contact with the Pakistani authorities in order to rescue the person concerned to see whether they can help us, they stated that they were sorry. They stated that at some point of time they had contact with the Taliban but they had ceased any contact with Talibans now, and therefore, they would not be able to give any help to us to rescue that person. So, he has not stated that Pakistan is responsible for that."

368. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on agenda Item 17 : The Situation in Afghanistan and its Implications for International Peace and Security. Agenda Item 73 (E) : Emergency International Assistance for Peace, Normalcy and Reconstruction of war-stricken Afghanistan at the 60th session of the UN General Assembly.

New York, November 28, 2005.

Please See Document No. 753.



IRAN

369. Media briefing by Official Spokesperson on the visit of Foreign Minister of Iran Dr. Kamal Kharrazi.

New Delhi, February 21, 2005.

Official Spokesperson: Good evening. H.E. Mr. Kamal Kharrazi, Foreign Minister of Iran is here for the 14th meeting of the India-Iran Joint Commission. He has had the first round of the Joint Commission Meeting with External Affairs Minister Shri Natwar Singh and the Indian delegation. There will be another round and the signing of the minutes of the Joint Commission Meeting tomorrow at 10:30 am. He has also had a restricted session of discussions with the External Affairs Minister and aides, which lasted about 55 minutes to an hour, followed by about a 15-20 minutes one-on-one session between the two Ministers.

To give you a flavor of some of the issues that were discussed; there was overall review of the bilateral relations with the focus being on economic and commercial cooperation. Foreign Minister of Iran welcomed the recent Cabinet decision on the gas pipeline and this will be taken forward in the technical level discussions by the petroleum ministries on both sides¹.

The trade situation between the two countries was reviewed. Bilateral trade figures are now about 3 billion dollars annually. While this has traditionally been predominated by the hydrocarbon sector, there has been, and this is a matter of satisfaction, in recent years a significant increase in its diversification to other sectors. In particular, sectors like cement and aluminum have shown some success in the form of joint ventures etc because aluminum is greatly needed in Iran and we can help there. LNG is another area on which an agreement was recently reached and which has been appreciated by the Iranians.

Some amount of trade and economic cooperation exists in other sectors too and there was a desire to move much further in areas such as pharmaceuticals, textiles, automobiles, telecommunications and IT. On IT, the Iranian side requested that we should have a separate sub-committee in the Joint Commission. External Affairs Minister gave his agreement that we would have a separate sub-committee on IT. This would be formalized tomorrow.

Steel is another area in which there has been progress. The Indian business groups like Essar and Tata have moved well ahead in their discussions with Iran in setting up mega steel plants in the Economic Zone in Bandar Abbas. This will obviously open the way for other companies also to move into these areas.

All this economic and trade activity requires that we have a separate juridical basis. That was also discussed today. Bilateral Investment Protection Agreement between the two countries and Double Taxation Avoidance Agreement need to be finalized. The importance of these agreements was emphasized today so that these can encourage a greater flow of capital and technology between the two countries and give greater confidence to the investors.

I may mention that Dr. Kharrazi on more than one occasion mentioned that they looked forward to India becoming a major investor in Iran. The services sector was also discussed. In particular, areas like railways and paper and pulp, small enterprises came up. In railways we have had a tradition of cooperation and RITES and IRCON have been active in Iran. This was again brought up. There are possibilities of huge projects working out there and this meshes in with Iran's own desire to seek cooperation to build up a network of roads and rails, which will work into the North-South corridor and transit into Central Asia and beyond.

Besides IT, knowledge-based Indian industries like biotechnology and other scientific areas were offered to Iran and we also offered that we could undertake high visibility projects like development of IT Parks in Iran.

Of course cultural cooperation, without which no discussion between India and Iran can really be complete, also came up for discussion. In this context External Affairs Minister quoted from Pandit Jawaharlal Nehru's letter to his daughter Indira written in 1933 in which he said that Iran is "the country whose soul is said to have come to India and found a worthy body here in the Taj".

EAM in the restricted meeting briefed Dr. Kharrazi on his recent visits to Kabul and Islamabad and on the progress that has been made in discussions with Pakistan. He also briefed him on developments in Nepal. Dr. Kharrazi, on his side, briefed EAM on Iraq and also on their ongoing discussion on nuclear issues with the EU-3 and with the IAEA. He reiterated the invitation for Prime minister to visit Iran.

Question: You referred to Mr. Kharrazi welcoming the Cabinet decision on pipeline. Could you elaborate on that and what did he tell EAM on the nuclear issue?

Answer: On the pipeline Dr. Kharrazi essentially, as I said, expressed their pleasure with the Cabinet decision to go ahead with the discussions on a pipeline from Iran across Pakistan and he said that there are ongoing talks with the technical team from Iran here at the moment. An Indian technical team from the Petroleum Ministry, I understand, is due to visit Iran perhaps towards the end of the month. This is all that was discussed on the pipeline.

On nuclear issues, he briefed EAM on Iran's position. He said that they are in discussions in Vienna. They need cooperation and understanding. They are in continuing discussions with EU-3 and are also working closely with the IAEA. Naturally, the Indian position in all this is important and he talked also of the need of Iran to have access to nuclear technology for civilian purposes.

Question: This is specific with regards to India...

Answer: No, in general because that is their position, that they need access to nuclear energy for civilian purposes.

Question: What is India's position?

Answer: We have always taken a position that they have to work with the IAEA on this matter.

Question: Can you tell us what Dr. Kharrazi said on the Iraq issue?

Answer: On Iraq he expressed satisfaction that elections have been held and that the ministries now would start their work. He talked of the possibilities of Iran working in Iraq ultimately in terms of training; in reconstruction and rehabilitation projects and that we have to get ready to take up work in these areas.

Question: What did EAM say?

Answer: EAM said that we are also looking at Iraq. He explained our position on the elections and said that India has already expressed its readiness to work in rehabilitation and reconstruction projects once a certain amount of security and law and order is established.

Question: Was the Petroleum Minister part of these discussions?

Answer: No, this was not a discussion on the pipeline. This was the 14th Meeting of the Joint Commission, which has certain areas, which already exist. There is commerce, there is railways, there is agriculture, etc. The representatives from these Ministries were present. Petroleum in this Joint Commission forms a part of trade because hydrocarbon trade has been the major part of India – Iran trade so far. But on the discussions on the pipeline things are being technically carried forward by the Petroleum Ministry.



370. Memorandum of Understanding at the 14th session of India-Iran Joint Commission meeting.

New Delhi, February 22, 2005.

The 14th Session of the India-Iran Joint Commission was held in New Delhi on February 21-22, 2005.

H.E. Dr. Seyed Kamal Kharrazi, Minister of Foreign Affairs of the Islamic Republic of Iran and H.E. Shri K. Natwar Singh, Minister of External Affairs of India led their respective delegations. The list of both delegations is attached hereto as Annex I.

During his visit to New Delhi, H.E. Dr Kamal Kharrazi called on the Prime Minister of India H.E. Dr. Manmohan Singh. He also had bilateral meetings with H.E Natwar Singh, the Minister of External Affairs.

While reviewing development of friendly relations between Iran and India, the two sides noted with satisfaction the ongoing trend in expansion and consolidation of ties between the two countries. The two sides reiterated their commitment to further strengthen the strategic bilateral ties.

During the meeting detailed discussions for cooperation were held by relevant committees, set up by the Joint Commission. These Committees are:

- o A. Petroleum and Natural Gas Committee
- o B. Trade Committee

- o C. Transport and Communications Committee
- o D. Industrial Committee
- o E. Agricultural and Rural Development Committee
- o F. Culture, Science and Technology Committee
- o G. Consular Committee.

- **Cooperation in Petroleum and Natural Gas**

1. Both sides welcomed the decision to explore the option of an overland pipeline from Iran subject, *inter alia*, to satisfaction of concerns on physical security and assured supplies.
2. With regard to Iranian offer to export bitumen in the form of drum or bulk to India made during the 13th Joint Commission Meeting (Article 11), the Indian side proposed that Iran could supply bitumen to Border Roads Organisation project team involved in the Zaranj-Delaram road project being executed in Afghanistan.

- **Commercial Cooperation**

3. Both sides:
 - (i) while reviewing the trends of trade between the two countries, stressed the significance of establishing stable and long term bilateral economic and trade relations. Both sides agreed to expand and diversify the areas of economic and commercial cooperation by involving the private sectors of both countries.
 - (ii) welcomed the signing of the new MOU in August 2004 with a validity for two years for cooperation between ITPO and Iran International Exhibition Company in August, 2004 and agreed to participate in fairs in each other's country in pursuance of the MoU.
 - (iii) agreed to invite potential investors, industrialists, export-import enterprises and banks to participate in economic activities (production, processing of goods, export and re-export) in their respective Free Trade Zones and Special Economic Zones.

Bilateral Investment Protection and Promotion Agreement (BIPPA):

- 4-. Both sides reviewed the current status of progress in the negotiations

for signing of the Bilateral Investment Promotion and Protection Agreement (BIPPA) and the Double Taxation Avoidance Agreement. Both sides agreed to make special efforts to examine the feasibility and take expeditious necessary follow up action by the end of 2005. Pending the signing of the BIPPA, Iranian side was requested to extend MFN treatment to India for custom duty on capital goods. Iranian side made a similar request for consideration of the Indian side.

Import of Indian Tea:

5. The Indian side welcomed the lifting of the ban on import of Indian tea. The Iranian side requested the Indian side for providing training in tea processing and related activities to the Iranian tea sector. The Indian side agreed to send a delegation to Iran to finalise the areas of cooperation between the Tea Board of India and its counterpart organisation in Iran.

6. Both sides agreed to appoint their respective research institutions/consultants to conduct joint research on potential areas for promoting trade and investment. The Iranian side reiterated their request for entering into a PTA with India. The Indian side agreed to re-examine the request.

7. Both sides expressed satisfaction over the procedure for settlement of trade within Asian Clearing Union (ACU) and emphasised the need to strengthen and expand the Union for further regional monetary cooperation.

8. The Iranian side expressed the readiness of the Export Guarantee Fund of Iran (EGFI) to cover non-payment risk of short and medium term credits to be granted to Indian buyers against L/Cs opened or bank guarantee issued by EGFI's acceptable banks. Moreover, non payment risk of short term credits to be granted to Indian exporters on open account basis is coverable after the buyers have been assessed as creditworthy by EGFI. The Indian side agreed to examine the request.

● **Cooperation in Transport and Communications**

Shipping

9. Both sides agreed to cooperate and exchange expertise at the International Maritime Organisation and other international forums and also agreed to support each other on mutual basis for candidature in various

councils. Both sides specially emphasized that this support can be extended to the forthcoming general council elections of IMO in 2005.

10. The Indian side offered further details for training of Iranian personnel under the training programmes conducted by Shipping Corporation of India (SCI) and other Indian institutes. The Iranian side welcomed further cooperation in this area but requested for further details regarding the syllabus of academic courses and the specifications of other training courses.

11. The Indian side requested the Iranian side to make available to Irano Hind Shipping Company the same privileges in terms of tax levy as offered to other Joint Venture Companies operating in Islamic Republic of Iran.

12. Both sides agreed on the possibility of an MOU on sister port agreement between Shahid Rajai Port in Iran and Jawaharlal Nehru Port in India. Indian side informed that a draft terms of reference on this issue as submitted by the Iranian side is being examined in consultation with JNPT, Mumbai. The Indian side agreed to expedite its response to the Iranian side.

13. The issue regarding further cooperation for establishing the Iranian Classification Society with cooperation of Indian Register of Shipping was raised by the Indian side. The Iranian side pointed out that Iranian Classification Society was already in place. However, a draft MOU prepared by the Indian Register of Shipping was handed over to the Iranian side for further action at their end.

14. Both sides agreed that LNG and Petrochemicals transportation are potential areas of growth. The Iranian side indicated the possibility to recognize the Irano-Hind Shipping Company as a reliable carrier for transportation of LNG and petrochemicals. The Indian side while appreciating the proposal pointed out certain difficulties in this regard. Both sides welcomed the proposed joint venture company between SCI and NITC.

North-South International Transport Corridor

15. Both sides agreed for effective operationalisation of North South International Transport Corridor. It was agreed that steps need to be taken to popularize this corridor with carrier, forwarding companies & the shipping lines in India and Iran. It was further agreed that the mandate to work out the modalities should be left to the Indo-Iran Joint Working Group on Ports

& Shipping and the Experts Committee. As decided in 2003, the study would be finalized expeditiously and the council meeting would be held early.

16. Indian side showed readiness to discuss proposals for Harmonization of Customs Procedures to facilitate the movement of goods and containers under the North-South Corridor Agreement. The Iranian side assured that they would communicate the said matter to the relevant organization in Iran as early as possible.

17. The Iranian side reported to the Indian side the capacity development in various modes of transportation in line with the North South International Corridor specially in the ports of Chahbahar and Shahid Rajaei as well as Bafq-Mashad Rail linkage. The Indian side appreciated these efforts and hoped that they would facilitate the flow of Indian trade with Afghanistan and other CIS countries. The private and public investments in these projects were welcomed by both the sides.

Customs

18. Both sides agreed to take steps to realize the benefits of the Agreement on Customs Cooperation, particularly in the field of capacity building and human resources development. The two sides agreed to meet frequently to facilitate this process.

Civil Aviation

19. Both sides agreed to enter into a mutual agreement regarding operation of air services between the two countries for further cooperation in this sector. It was agreed to have a meeting of the Civil aviation authorities of the two countries in the next three months, if necessary to sign such an agreement.

Railways

20. On the consultancy contract between RAI and RITES for Karadg workshop which has been closed by RAI in 2002, it was requested by the Indian side to either close the existing contract and release the bank guarantees or suitably amend the contract on mutually agreed terms. The Iranian side agreed to look into the matter.

21. With regard to the participation of RITES and IRCON in various

supply contracts and tenders for forthcoming infrastructure work in Iranian Railways, Iranian side welcomed such cooperation and agreed to look positively at ongoing discussions in this area.

22- The participation of Indian consortium (comprising of RITES Ltd., IRCON International Ltd. and Ashok Leyland Pvt. Ltd.) for construction of railway line from Chahabahr to Bam was discussed. Both sides appreciated the terms stipulated in the MOU of July 2004 between the Ministry of Roads and Transport of Iran and the Indian consortium (ALPS) which is in line with issues pertaining to the construction of Chahbahar-Bam railway linkage. They also agreed that mutual efforts will continue.

23- Both sides agreed to hold the first meeting of the Indo-Iran Joint Railway Committee for bilateral cooperation in the railway sector within three months on mutually convenient dates in New Delhi or Tehran.

24- Both sides reiterated the importance of road and rail transportation and agreed to initiate this cooperation in order to facilitate these activities. It was also agreed that within three months expert delegations would be exchanged to consider and explore ways for execution of this cooperation.

Communication

25- Both sides recognized the progress made on the Agreed Minutes of the 2nd Indo-Iran JWG meeting held in February 2004 at Tehran and decided to hold the 3rd Indo-Iran JWG meeting of Post and Telecommunications in India during April/May 2005.

26- Both sides agreed to:

- further cooperation in Telecommunication R&D covering the latest technologies. In order to move forward it was decided that in the next JWG meeting there would be high-level participation from C.DOT side.
- further the cooperation in the field of Telecommunication training including training of trainers and setting up of Telecommunication Training Centres in Iran.
- form a joint venture company between the two countries involving TCIL from the Indian side to take up turn key projects in the third countries.

- share the expertise in the area of Spectrum Management and Telecommunication Regulations.

27. Both sides reiterated the need for further cooperation between the two countries and have a process of continuous dialogue and derive benefits from each others strength in the field of Telecommunication and IT. Ministry of Science and Technology was introduced as the 'Contact Point' on Iranian side for further cooperation with regards to all Communication and Information Technology issues in coordination with other related Iranian organizations.

Posts

34. Following the successful Philatelic workshop in Iran in August 2004, both sides agreed to hold a Joint Philatelic Exhibition in both countries, dates for which would be finalized in due course.

35. In the field of Human Resources Development and training, India Post agreed to offer a fellowship to Iran for the next International Executive Development Programme scheduled for September 2005. India Post also agreed to invite Iran Post for the IT course in postal training to be held at Mysore later this year.

36. India Post extended an invitation to Iran Post to participate in the course on Business Development and Technology Management to be held at Postal Staff College, India in December 2005.

37. India Post suggested that in order for Payam airline to be considered for transmission of mail between the two countries, they would need to participate in the tender process initiated by India Post every year.

Industrial Technical and Investment Cooperation

Power Sector

38. The Indian side informed that on invitation from the Iranian side, a team of National Thermal Power Corporation (NTPC) and Bharat Heavy Electrical Ltd (BHEL) officials visited Iran during November, 2004 for discussions with Iran Power Generation, Transmission and Distribution Management Company (MAPNA). The proposal for O&M of 1000 MW Thermal Power Station in Iran submitted by NTPC is presently under

consideration of MAPNA. BHEL also expressed willingness to supply equipment for power generation. The Indian side invited MAPNA officials to visit India for further discussions. The Iranian side taking note of the developments, expressed optimism on cooperation in the power sector.

Mining Sector

39. Both sides expressed interest in close cooperation and development of the Iranian mining sector and utilization of the Indian expertise in the capacity building of the Geological Survey of Iran. Both sides agreed on the following areas of cooperation: -

- The Indian side (National Aluminium Company Ltd.) expressed its interest in exploring the feasibility of setting up of a globally competitive Aluminium Smelter Plant in Iran with a view to exploit mutual complementarities and advantages that both countries enjoy in terms of natural resources and technical expertise. Both sides agreed to set up a Sub-Group on Cooperation in Aluminium sector within the overall framework of the Joint Commission to work out technical and other details.
- The Geological Survey of Iran showed keen interest for collaboration with the Geological Survey of India in the fields of mineral exploration, marine surveys, seismotectonics, geo-technical, geoenvironmental, geo-informatics and other research projects relevant to earth science. It was agreed that the Iranian side would send an invitation for the visit of a high level Indian delegation to Iran to visit the Geological Survey of Iran, mining areas and to discuss the road map for setting up the proposed projects at mutually agreeable terms. The Indian side (Mineral Exploration Corporation Ltd.) also offered their expertise for the exploration of various mineral deposits in Iran such as coal, iron ore and gold on commercial basis. The Iranian side took note of the offer and agreed to send their reply at the earliest.
- The Indian side stated that the Indian Bureau of Mines (IBM) with its expertise and state-of-the-art facilities can offer its services to the Iranian mining industries. Both side agreed that IBM and Iranian Department of Mines may further cooperate in mutually areas of interest. Iranian side appreciated the offer. Both sides agreed to exchange detailed information at the earliest.

- The Iranian side invited the participation of Indian mining companies in the forthcoming World Mining Congress, which is scheduled to be held in Iran during October, 2005. The Indian side welcomed the offer and promised to mobilize maximum participation from India.
- Both sides agreed to develop a mechanism for regular interaction through exchange of delegations from both sides on mutually agreeable basis. Iranian side was very keen that an Indian delegation comprising of officials from Ministry of Mines and other Institutions including GSI should visit Iran to work out the details of cooperation and possible signing of MoU. Indian side noted the suggestion and agreed to take necessary action.

Cement

34. The Iranian side invited the Indian entrepreneurs to set up new cement plants as well as to participate in the privatization of the existing cement plants in Iran. Iranian side further informed that such joint ventures could also look at exploiting opportunities in third countries. The Indian side agreed to pass on the offer of Iranian side to select cement companies in India and further reiterated its offer of modernization of Iranian cement plants, capacity upgradation and training through the National Council for Cement & Building Material (NCCBM).

Paper & Pulp

35. Indian side informed that a draft Agreement to be signed between the Central Pulp & Paper Research Institute (CPPRI) of India and Gorgan University of Agricultural Science & Natural Resources (GUASNR), Gorgan, Iran, has been handed over to the Iranian side (GUASNR). Iranian side (GUASNR) has conveyed their in principle approval to the MOU. Indian side expressed its keen interest for signing the MoU. Iranian side welcomed the offer and agreed to send their comments at the earliest.

SME Sector

36. The Indian side informed that draft MoU on behalf of National Small Industries Corporation (NSIC) and Central Manufacturing Technology Institute (CMTI) was handed over to the Iranian side during the last meeting of the Joint Commission. Iranian side promised to send their comments on

the draft MoU immediately. Both sides expressed their willingness to sign the MoU at the earliest.

Handicrafts

37. Indian side desired that Iranian handicrafts organization may explore the possibilities for organization of Craft Fair/Exhibition, training of craft persons besides exchange of experts on reciprocal basis. Iranian side took note of the request.

Bio-technology

38. The Indian side informed that response/proposal from the Razi Institute and Pasteur Institute of Iran, as decided in the last Joint Commission meeting held in December, 2003, is still awaited. The Iranian side took note of the remarks of the Indian side and agreed to expedite necessary proposals from the Razi Institute and Pasteur Institute of Iran, if required.

Agricultural and Rural Development Cooperation

39- Both sides:

- (i) reviewed with satisfaction the cooperation between the two countries in the field of agricultural research and education and emphasized the need for speedy implementation of the Work Plan signed for the biennium 2004-05.
- (ii) agreed to explore the possibility of expanding the scope of cooperation by identifying additional areas such as training programmes and study visits from both countries in the field of Rural Development.

40. The Indian side reiterated its request for germplasm particularly of pistachio nut and saffron from Iran.

Cooperation on Culture and Science and Technology

41. Both sides agreed to promote cultural festivals in each other's countries.

42. Both sides reiterated their agreement for the establishment of a Joint India-Iran Fund to preserve and promote common cultural heritage. In this

regard, they welcomed the finalisation and signing of the MOU for safeguard of the common cultural heritage of India and Iran.

43. In the field of media cooperation, both sides welcomed the existing cooperation in terms of exchange of delegations and journalists and to further such cooperation by holding joint seminars and workshops on media in both countries, reciprocal airing of programmes on TV and Radio on the national days of the two countries and joint production of films and TV programmes.

44. Both countries agreed that tourism sector has inherent potential to maximize productivity of the natural, cultural, technological, human resources and agreed to pursue closer cooperation in this area. They agreed to enhance linkages between their academic institutions and private sectors particularly tour operators and travel agents of the two countries including through holding of exhibitions, seminars, joint research and promotional projects. Both sides agreed to promote enhanced air connectivity, relaxation of visa rules, greater mutual investment through involvement of private sector and collaboration in tourism product development. The above objectives will be implemented through the Joint Working Group on Tourism which will be held between the two countries in 2005 on mutually agreed date and venues.

45. On scientific and technological cooperation, both sides agreed to convene regular joint committee meeting every year in India and Iran, and nominate nodal points in various fields of S&T for further close cooperation. Both sides also agreed to facilitate the setting up of an Information Technology park in Iran as also exchange S&T information and visits of delegation between universities, research centres and S&T parks.

46. The two sides agreed to set up a new Committee on Information Technology under the Joint Commission.

47. Both sides agreed to conclude an Educational Exchange Programme at an early date.

48. In the field of sports cooperation, the two sides agreed to facilitate the exchange of athletes, sports delegations, and scientific sports findings as well as the participation of coaches and referees in training courses held in the two countries.

Cooperation in Consular Matters

49. Both sides welcomed the holding of the First round of the India-Iran Consular Committee Meeting and the understanding arrived at with regard to a variety of issues. With a view to consolidating and strengthening this cooperation and reviewing matters essential to their implementation, both sides emphasized on periodic meetings of the Joint Consular Committee with the participation of heads of consular divisions of Ministry of Foreign Affairs of both countries.

50. Both sides expressed their acceptance in expediting the signing of visa exemption agreement for holders of diplomatic passports.

Done in New Delhi on February 22, 2005 in two English and Farsi copies both texts being equally authentic. In case of disagreement the English text will prevail.

On behalf of
The Government of
India
K. Natwar Singh
Minister of External Affairs

On behalf of
The Government of
Islamic Republic of Iran
Dr Seyed Kamal Kharrazi
Minister of Foreign Affairs



371. Felicitation message of President Dr. A. P. J. Abdul Kalam to the newly elected President of the Islamic Republic of Iran.

New Delhi, June 29, 2005.

The President of India Dr. A. P.J. Abdul Kalam has greeted newly elected President of The Islamic Republic of Iran. In a message to the H.E. Mr. Mahmoud Ahmadi-Nejad President elect of Islamic Republic of Iran. The President said,”

Our historic and civilisational ties, our shared experiences and values and our linked destinies in a region marked by rapid change and progress calls for continued and closer engagement between our countries. With best wishes for your well-being and success”.



372. Media briefing by Official Spokesperson on the visit of External Affairs Minister K. Natwar Singh to Iran.

New Delhi, September 1, 2005.

Official Spokesperson: I thought I would give you some background on the visit of External Affairs Minister Shri Natwar Singh to Iran. External Affairs Minister leaves tomorrow morning and will return on the late evening of 4th September. He is accompanied by a five-member delegation. He would be visiting Teheran and would return to India via Shiraz. The visit takes place at the invitation of the Iranian government and it would be an opportunity of meeting and establishing contact with members of the new Iranian government led by President Ahmadi–Nejad.

The principal interlocutor of the External Affairs Minister would be Mr. Manouchehr Mottaki, the new Foreign Minister of Iran. Incidentally, he has had part of his education in India. He studied Bachelor of Arts in Social Sciences from Bangalore University. Besides holding discussions with Foreign Minister Mottaki and his delegation, Shri Natwar Singh will also be calling on President Ahmadi-Nejad. Calls and meeting have also been

scheduled with the Speaker of the Iranian Majlis, Dr. Hadad-Adel and the Secretary of the Supreme National Security Council, Dr. Larijani.

India and Iran have enjoyed deep civilizational, cultural, people to people links and we attach great importance to our bilateral relations. The Delhi Declaration signed in January 2003 during the visit of President Khatami to India, puts forth the vision of a strategic partnership between India and Iran and which sets up the stage for more stable, secure and prosperous region as well as for enhanced regional and global cooperation. Against this backdrop of the Delhi Declaration and the strategic partnership between the two countries we will have the present visit. The discussion will look at the possibilities of enhancing cooperation in all areas – trade and investment, transit related cooperation, energy sector, security and strategic consultations, science and technology cooperation and so on.

On matters of regional interest, the visit is aimed to try and build up strategic political and economic convergence including on the issues of Afghanistan and the opening of transit and trade routes to Afghanistan, Central Asia and Russia through Iran.

Bilateral trade figures are USD 4.1 billion in 2004-05. That is a nearly 44% growth over the previous year. 50% of this trade, as you know, is constituted by India's crude oil imports from Iran. The non-oil trade is in India's favor. India's exports mainly include petroleum products, drug and pharmaceutical products, chemicals and Iron and Steel. India is presently the 6th largest export destination for Iran. There is regular contact between the private sectors of the two countries. FICCI and the Iranian Chamber of Commerce regularly hold Joint Business Council meetings. They have had seven business meetings so far. CII had a made in India exhibition in Iran in December 2003. There is the example of a successfully run Joint venture between India and Iran i.e the Iran-India Cement Engineering Consultancy Company.

In terms of visits from Iran, Dr. Kamal Kharrazi, former Foreign Minister, visited India in February 2005, when he came for the 14th India-Iran Joint Commission Meeting. He had earlier come in 2004 and 2003 also. From the Indian side, former External Affairs Minister Shri Yashwant Sinha had gone to Iran in December 2003. Earlier Foreign Ministers had also visited.

Other point of interest is the presence of the Indian community in Iran. We have around 150 Indian families staying in Iran. Several of them have been there for many generations. There is increase in Indian professionals working in Iran. There is a school – Kendriya Vidyalaya – affiliated to the CBSE, which works in Tehran, and we have several other professionals working in different areas in Iran. Of course, as you know, we have Consulates in Zahidan and Bandar Abbas.

This is to give you a broad-brush picture of the forthcoming visit. Of course, briefings will be provided as the talks are held on the specifics.¹

Question: What is India's position on Iran's nuclear...

Answer: I do not want to get into giving you specific details on positions on several things. Let the discussions begin. Naturally, bilateral issues will be discussed along with regional issues plus issues of international interest. As you know Dr. Larijani has just been here and these are issues, which are under discussion. I would rather wait till tomorrow and then give you our positions as we go into the discussions.

Question: How does the US look at the External Affairs Minister's visit to Iran?

1. Signalling India's intent to engage with Iran, the External Affairs Minister on arrival in Tehran on September 2 said good relations between New Delhi and Tehran were beneficial not just to the two countries but to the entire region. "We have excellent bilateral relations and I hope to have an in-depth exchange of views on all issues of mutual interest," External Affairs Minister said at the airport. "I am confident that my visit will further strengthen relations and expand opportunities for mutual cooperation," he said. An External Affairs Ministry official accompanying the Minister said "There is a new government in Iran and we want to reiterate to them that India pursues an independent foreign policy". The Spokesman of the Ministry said in Tehran that all sides should facilitate dialogue and resolve existing issues concerning Iran under the International Atomic Energy Agency framework. His comments came after the Minister met Iranian President Mahmoud Ahmadinejad, Foreign Minister Manouchehr Mottaqi and top nuclear negotiator Ali Larijani. Natwar Singh was informed by the Iranians that all clearances relating to giving effect to the \$21 billion LNG deal with India had been received. The Spokesman also said Iran was giving positive consideration to India's desire to increase the agreed amount of five million tonnes of LNG by another 2.5 million tonnes. The Spokesman said that the two Foreign Ministers reviewed the India-Iran, India-Pakistan and Pakistan-Iran meetings held so far. The Spokesman said a preliminary understanding on the preferred structure of the project was likely to be ready by November. Once there was an agreement on this, a framework agreement would be reached by the end of 2005. Before the External Affairs Minister's visit the Iranian nuclear negotiator Ali Larijani held discussions in New Delhi with the National Security Advisor MK Narayanan and Natwar Singh the previous week. While in Delhi Larijani said: "We are fully committed and bound by international regulations relating to the nuclear field," adding he said that Iran was committed to continuing its cooperation with the IAEA.

Answer: I think you should ask the Spokesman of the United States.

Question: Was the US taken into confidence ?

Answer: Taken into confidence about what?

Question: External Affairs Minister's visit to Iran.

Answer: There is nothing confidential about the visit. The visit is an open visit by the External Affairs Minister of India to a friendly country with which we have very important bilateral relations. It is an announced visit and the External Affairs Minister is going. I am sure countries that have interest in the bilateral relationship will be watching the visit.

Question: Is it a fact that External Affairs Minister met Mr. Mulford some time back and informed him about the visit?

Answer: I do not have specific information. If you like I will check with the External Affairs Minister.

Question: Iran said that they want the Non Aligned Movement to be a part of the negotiations with the EU. Is India a likely country that they would want to join?

Answer: I think you should address that question to the Iranian government. Essentially, we are part of the discussions that have taken place in the IAEA. We are part of the Non Aligned Movement and we are part of all Non Aligned Movement discussions that take place on this issue in Vienna. As to how Iran wants its engagement with the EU to expand, if it does want it to expand, is not for me to comment.

Question: If they did offer us will we say yes?

Answer: If I have details of any such offer and if we have a response, we will certainly share it with you.

Question: On a broader level, don't you think that India as a responsible nuclear power is well placed to offer advice on the nuclear issue (to Iran)?

Answer: Is that your assessment?

Question: No, I am asking for your assessment.

Answer: India is a responsible nuclear weapon state. India is part of all countries committed to non-proliferation. We are not part of the Non Proliferation Treaty. We are part of the IAEA and we are very much part of the discussions there. I am highlighting these various parameters to you to show that we are part of the international community's compact against non-proliferation even if we are not member of the NPT.

Question: Who is in the delegation (with the EAM)?

Answer: Secretary (East) will be going with the External Affairs Minister and there will be Joint Secretary In charge of Pakistan, Iran and Afghanistan and yours truly. There will be the Director from External Affairs Minister's office.

Question: Are there any agreements to be signed between India and Iran?

Answer: No, I do not see any agreements on the anvil.



373. Press statement of the Ministry of External Affairs on the telephonic conversation between Prime Minister Dr. Manmohan Singh and Iranian President Mahmud Ahmadinejad.

New Delhi, September 23, 2005.

The Prime Minister received a phone call from President Ahmadinejad of the Islamic Republic of Iran at the Iranian request. The President raised the issue about Iran's nuclear programme in the IAEA. Prime Minister advised him that Iran should consider taking a flexible position so as to avoid a confrontation. The Prime Minister repeated the necessity for Iran to make concessions to this end. India supports the resolution of all issues through discussion and consensus in the IAEA.¹

1. On September 24 the Prime Minister addressing a press conference in Chandigarh said that "India would like Iran to have all the rights but it must undertake all the obligations which go with its being a signatory to the NPT." Admitting that there were several questions about whether Iran was shirking its obligations, he said "All these questions were under active discussion in the International Atomic Energy Agency." He however emphasized that India wanted the whole issue to be "dealt with in a spirit of finding solutions and not in a spirit leading to unnecessary confrontation." On the proposed gas pipeline from Iran the Prime

The two leaders also reviewed bilateral relations.



374. Press release issued by the Ministry of External Affairs on the Explanation of Vote on Draft Resolution on the Iran Nuclear Issue at the IAEA Governing Board Meeting.

New Delhi, September 24, 2005.

1. The Indian delegation has studied the draft resolution tabled by the EU-3 yesterday. There are elements in the draft which we have difficulty with. For example, the draft recognizes that "good progress has been made in Iran's correction of the breaches and in the Agency's ability to confirm certain aspects of Iran's current declarations". In view of this, finding Iran non-compliant in the context of Article XII-C of the Agency's Statute is not justified. It would also not be accurate to characterize the current situation as a threat to international peace and security.

2. Having said that, we find that the draft has addressed the two major preoccupations of our delegation. Firstly, we have all along been advocating that more time be given to enable us to explore all possible avenues for reaching a satisfactory resolution of the issues that have arisen. The draft

Minister said: "Let me say that discussion on the gas pipeline are taking place and there is no reason for us to suspend those discussions. Feasibility studies are yet to take place and therefore, all these studies and thinking about this pipeline are still in their early stages." Earlier on September 15 when the Prime Minister met the Russian President Putin in New York on the sidelines of the UN General Assembly session, the two agreed that international community should rely on consultations in sorting out doubts over the Iranian nuclear issue. The two agreed to rely on dialogue and diplomacy to avert the confrontation in this matter. According to media reports the Iran issue also figured in the talks between External Affairs Minister K. Natwar Singh and US Secretary of State Condoleezza Rice on September 20 in New York. Ahead of this meeting, the External Affairs Minister in a televised interview said that India was not apologetic about its relations with Iran, while hoping that Tehran's nuclear issue would be sorted out within the IAEA framework during the Vienna meeting. Meanwhile on September 20 India in a statement in New York after the meeting between the Foreign Ministers of India, China and Russia said that the three countries favoured a "consensus approach" to the knotty issue of Iranian nuclear programme, being discussed in Vienna. The statement said: "The Ministers reviewed the latest developments on the issue. They expressed their preference for a consensus approach and have agreed that their delegation in Vienna should remain in close touch and work together."

resolution has conceded that by leaving it to the next Board meeting to take a decision concerning how to handle this matter.

3. Secondly, we were opposed to the matter being referred to the UN Security Council at this stage, because we did not believe that this was justified in the circumstances. We welcome the fact that the draft resolution has agreed to keep the matter within the purview of the Agency itself. Our support for the resolution, despite our reservations, is based on the premise that the intervening period will be used by all concerned to expand the diplomatic space to satisfactorily address all outstanding issues. India supports keeping the door open for dialogue and consensus and avoidance of confrontation.

4. The IAEA Board has dealt with this matter so far through a series of consensus resolutions. We would have preferred to maintain that tradition. Our objective has been to enable the IAEA to fulfill its mandate in Iran in the most efficient manner possible and to give the international community the confidence it needs in accordance with the relevant safeguards agreements. We welcome the cooperation that Iran has been extending to the IAEA to enable it to fulfill its mandate. Iran has, at the highest level, declared that it does not aspire to acquire nuclear weapons capability. This is a solemn assurance that the international community should take note of. Iran has the inalienable right to pursue a peaceful nuclear energy programme and we must respect that right. We are confident that in the coming days, we would be able to find a way to reconcile Iran's need for nuclear energy for its development with the international community's concern over proliferation. My delegation would be prepared to work together with the members of the Board to facilitate a satisfactory outcome in this regard.



375. Media briefing by Official Spokesperson on the Draft Resolution on Iran in International Atomic Energy Agency.

New Delhi, September 24, 2005.

Giving reasons for India's vote¹ in favour of the resolution in the IAEA, the Spokesperson of the Ministry of External Affairs Navtej Sarna said:

"It will be recalled that Prime Minister Dr. Manmohan Singh had emphasized two major preoccupations on the part of India. Firstly, we were not for the Iran nuclear issue being referred to the UN Security Council. Our preference was to deal with the issue within the IAEA itself. The EU-3 agreed to take our concern on board. The resolution has kept consideration of the issue within the purview of the IAEA itself.

Secondly, we were keen that sufficient time should be given to the parties concerned to continue to engage in intensive consultations so that an outcome satisfactory to both Iran and the international community as a whole could be evolved. The draft resolution has conceded that by deferring any decision till a further consideration of the matter at the next Board meeting in November 2005. We have thus gained time for further consultations.

We would have preferred to have a consensus resolution since the previous resolutions on the Iran nuclear issue had been adopted by consensus. However, the EU-3 draft enjoyed the support of a significant majority of delegations in the IAEA Board and was arrived after extensive consultations between them.

1. The Spokesperson was referring to the Indian vote in the meeting of the 35-member Board of Governors of the IAEA held in Vienna on 24 September when the Board adopted a resolution seeking referral of the Iranian nuclear issue to the Security Council of the United Nations. The vote was 22 - 1 with 12 abstentions. The sole negative vote was cast by Venezuela. Russia and China were among the 12 that abstained. In Washington the Indian Ambassador Ronen Sen said "Our position in international fora are invariably determined by our independent assessments, which are consistent with our policy pronouncements and anchored in our larger national interests." Mr. Sen was quoted by the Press Trust of India as explaining that the original resolution, which India had advised against would have sent the matter to the UN Security Council straightaway. "The new one doesn't," he added.

It should also be borne in mind that India has all along been supportive of the EU- 3 initiative to negotiate a fair and reasonable understanding with Iran on this issue. Our support to the resolution should also be seen against this background. We have been in close touch with the EU-3, and External Affairs Minister has himself been meeting with and talking to his French, German and British counter parts regularly in the past couple of weeks, to try and encourage a consensus approach. Prime Minister Dr. Manmohan Singh had discussed the matter with President Chirac in Paris and the two leaders had agreed that all diplomatic avenues needed to be explored to deal with the issue and a confrontation should be avoided. Our vote for the EU-3 resolution is consistent with our stated position.”

On India’s solidarity with NAM and developing countries the Spokesperson added:

“India has been working with all the different groups within the IAEA to encourage a consensus. We have held intensive consultations, both in Vienna and in New York, to safeguard the legitimate interest of Iran even while responding to proliferation concerns. India’s strong opposition to taking the issue to the Security Council was helpful to Iran. The acknowledgment of the need to allow sufficient time for further negotiations is also in Iran’s interest. In fact, this was a demand put forward by Iran in several interactions with its representatives. Therefore, there is no question of India having ranged itself on one side or the other on the contrary, India has played a helpful and supportive role in safeguarding Iran’s right to peaceful use of nuclear energy necessary for its economic development, but consistent with global non-proliferation norms.

It should also be noted that several non-aligned and developing countries, apart from India, have also voted in favour of the resolution.”

Denying that there was any linkage to US/ Indo-US nuclear deal the Spokesman said:

“Nothing could be further from the truth. India takes decisions on issue based on its own independent assessment and in consonance with the country’s national interests. The Indo-US nuclear cooperation agreement stands on its own, based as it is on a mutual recognition of Indian energy requirements, its global impact and on our acknowledgement of India impeccable record on non-proliferation. The resolution we have voted for is

a EU-3 initiative and our decision is the culmination of very intensive and high level consultations with the German, French and the British. Their objectives and ours are similar and there has been a willingness on their part to take on board our major concerns.”

On the impact on energy cooperation with Iran, the Spokesperson added:

“We see no reason why there should be any apprehension in this regard. India has played a constructive role in the IAEA and helped safeguard Iran’s legitimate interests. We intend to continue to work together with Iran as well as the EU-3 to facilitate a satisfactory outcome in the ensuing weeks. India’s principled stand that the issues raised should remain within the purview of the IAEA and that we should give ourselves time for further consultations, has been appreciated by Iran and supported by several delegations in the Board of Governors. At the same time, we have urged Iran to demonstrate some flexibility so that its friends can help in evolving a satisfactory outcome within the IAEA itself.”

With reference to Article XII C and to Article III B of the IAEA Statutes, which holds out a threat of referral to the Security Council, the Spokesperson continuing said:

“In our Explanation of Vote, we have clearly expressed our opposition to Iran being declared as non-compliant with its safeguards agreements. Nor do we agree that the current situation could constitute a threat to international peace and security. Nevertheless, the resolution does not refer the matter to the Security Council and has agreed that outstanding issues be dealt with under the aegis of the IAEA itself. This is in line with our position and therefore, we have extended our support to it.”



376. Press briefing by Foreign Secretary Shyam Saran on the events in UN and IAEA.

New Delhi, September 26, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good morning everybody. Sorry for pulling you out at what is an unearthly hour for most of us here. We have Foreign Secretary here. We have the advantage that he has just come back from New York and he wanted to brief you. So, I will just hand over the mike.

Foreign Secretary (Shri Shyam Saran) : Thank you very much. I would like to add my apologies to Navtej's for gunning you out early this morning. The only excuse I have I am still quite wide-awake having come back from New York just midnight last night. So, I am on a slightly different body clock as it were.

I thought I will take this opportunity of just briefing you on some of the events which have taken place in New York and after that also in Vienna which is also a matter of some preoccupation to you. Let me try and give you a sense of the Session which has been held in New York, the UN Session. One I wanted to draw attention to the fact that we participated very actively in the negotiation of the Outcome Document of the High-Level Segment of the United Nations General Assembly.

This Outcome Document is far more modest than we had originally envisaged. We had looked upon the High-Level Segment as really endorsing a programme of very comprehensive reform of the United Nations and as a centerpiece of that comprehensive reform, the reform of the UN Security Council itself. You are aware of the fact that for various reasons on the Security Council reform itself there has not been a great deal of progress. But, the Outcome Document at least sets out the roadmap for some modest changes in the United Nations structure. There are important decisions for example, in terms of setting up of a Human Rights Council, a Peace-Building Commission, the reform of the structure of management itself of the United Nations. In all of these what is going to really happen is in the subsequent weeks we are going to be now looking out to flash out some of the details of these reforms.

With respect to the UN Security Council reform, a new deadline has

been given by the Secretary-General that by December end we should move ahead on Security Council reform. I wanted to give you a sense of how we are looking at this particular aspect of our foreign policy which is very important. We have been in touch with the other members of the G-4. There was a meeting of the Foreign Ministers of the G-4 in New York. We decided that G-4 should maintain its solidarity. That is very important that we will continue to move ahead on the basis of agreed strategy of the G-4.

The second aspect that has been agreed upon is that we will all work together with our African friends to see whether we could before the end of December come up with a common draft which would be incorporating essentially what has come to be known as the London Compromise which was agreed upon by some of the Ministers of the African Union and G-4. So, this is what is currently the work in progress. We hope that we should be able to move ahead on this. We are optimistic. We found that there is a considerable sentiment amongst African countries who recognize the point that we have been making to them that the biggest beneficiary of the UN Security Council reform as we envisage it would be Africa. And, in a sense, the biggest losers if this does not go through would also be Africa since it has been given the lion's share of both the permanent seats as well as non-permanent seats. So, that is one important element.

Then, of course, our presence in New York was utilized for a very large number of bilateral meetings, group meetings. We had meeting of the SAARC Foreign Ministers and all the Ministers agreed that the forthcoming SAARC Summit is going to be an important and landmark summit. We have agreed that we should have a substantive agenda for this Summit. Our effort should be to move SAARC from a stage of making declaratory statements to a stage of actually doing some collaborative work. There was an exchange of views on matters such as setting up of the Poverty Alleviation Fund. We have also been talking to each other about the possibility of Afghanistan joining as a new member of SAARC and a number of other issues which are likely to come up during the Summit. For example, there are specific proposals for dealing with disaster management, which is particularly important in the wake of the tsunami disaster that some of the SAARC countries have faced. So, that was one important meeting.

We also had some other meetings with some of the regional groups, for example, with the Andean Group and the Gulf Cooperation Council. All

these meetings gave us an opportunity to renew and strengthen our association with these important countries.

As you know, during the time that we were in New York the question of the Iran nuclear issue also came up. We were in touch with the Foreign Ministers of the EU-3, that is, Britain, France and Germany, concerning the deliberations, which were taking place at that time in Vienna. The Iranian Foreign Minister was also in New York during this time. We had several occasions to also exchange views with him. I would like to give you a little background to the vote that took place in Vienna on a draft resolution put forward by the EU-3 on which India voted in favour.

First of all, I would like to point out that we have been all along very supportive of the EU-3 because we saw the EU-3 initiative vis-à-vis Iran as giving a way out for a possible compromise, a reasonable compromise on what is a sensitive issue. We supported the decision, which was arrived at between Iran and the EU-3 on the suspension of conversion activity at the Iranian nuclear facility at Isfahan. Now, when this conversion activity, which was suspended, was resumed this obviously caused a degree of concern. The previous resolution, which was adopted by consensus at the IAEA in August, I think it was on 11th of August this year, there was a consensus request made to Iran to go back to suspension of the conversion activity.

Now, because this matter had still not been resolved, there were intensive consultations, which were taking place, firstly among the EU-3 and Iran. We ourselves were talking to the EU-3. At the level of the Foreign Ministers itself there were a number of interactions at New York. This was also the subject of discussions when the Prime Minister was in Paris for his bilateral visit and, as I mentioned to you, there were a number of meetings, which took place with the Foreign Minister of Iran himself.

Our effort was focused on trying to find a way out of the kind of confrontation, which seemed to be developing on this issue. The two elements which appeared to us, which would in fact lead towards that confrontation, were (1) the insistence on the part of the EU-3 and some of the other western countries to immediately take this matter to the Security Council, (2) the point that was being made by the Non-Aligned countries that we should not be in too much of a haste, that we should allow time for further negotiations and consultations to take place, especially because a

new Government had taken office in Teheran. This was also something, which was being resisted initially by the EU-3.

We felt that we had in fact made a successful effort in persuading the EU-3 to concede on these two matters because if they had not conceded on these two matters, then there was very much a likelihood of a confrontation developing. So, as a result of the great deal of effort made by us as also some other countries, the EU-3 finally decided in the draft that they presented which was voted upon that (1) there would not be an immediate reference to the Security Council and (2) also allow time for this matter to be discussed further and only subsequently for the Board to take a decision depending upon what had been achieved in the meantime.

The question has been raised by some people as to why India did not abstain like some of the other Non-Aligned countries. The reason for that is very simple. The reason is that we in a sense made a major effort with the EU-3 countries to dilute some of the provisions of the draft and to make them concede on these two points, which are very important for Iran's interests. Since they did concede these two critical points we were making, I think in terms of diplomacy, having got them to agree to what we wanted, then to say that we will only abstain on the resolution would not have been a correct position for us to take.

With respect to Iran's right to peaceful uses of nuclear energy, that is something, which we have ourselves no reservations about. This is something which was clearly spelt out in the explanation of vote by our Permanent Representative to the IAEA. That we do not believe that the time has come for this matter to be remitted to the Security Council is also a point that we have clearly made. We have also clearly stated in the explanation of vote that we certainly do not regard the current situation as constituting any kind of threat to international peace and security. But on balance, since our main objective was to prevent the referral of this matter to the Security Council, and (2) to have sufficient amount of time for further negotiations, for further consultations to take place, on balance we decided that we should vote in favour of the resolution.

I would like to make it very clear here that our objective all along has been to be as helpful as possible to Iran with which we enjoy very close and cordial friendly relations. There is certainly no implication that India has any reservations about Iran's pursuit of a peaceful nuclear energy programme

consistent with global nonproliferation norms. That is something on which there should be no ambiguity. And there is no sense that India decided to vote in favour of this resolution because we were having some problems with Iran on other issues, that is certainly not the case. This was a judgment made after making a very careful assessment of the pros and cons, and in pursuit of a policy of avoiding confrontation and having enough time available to us to work out an acceptable compromise. So, I hope our decision is taken in that light.

To conclude, I would also bring to your attention the fact that in abstaining on this resolution – that 12 countries who abstained on this resolution – in fact in a sense agreed to its passage. There was only one country which sought a vote on the resolution. If that country had not sought a vote on this resolution, in fact the tradition is of having resolutions on this issue being passed by consensus and that would also have been the case this time as well. So, I think please take an overall view of this matter. I do not think that there should be too much speculation about what are the reasons why India decided to vote for this resolution.

Question : What is Iran's reaction to this? Do you think it would affect our energy security?

Foreign Secretary : I see no reason why there should be because as I said our role, which Iran is familiar with, has been precisely to be as supportive as possible in terms of preventing this matter being taken to the Security Council which would have been a very major setback for Iran. We have been playing a role which has been supportive of Iran. I see no reason why there should be apprehension that there would be any kind of impact on our energy security.

Question : Have you got any feedback yet?

Foreign Secretary : The feedback we have is that Iran has not walked out of the NPT. Iran has announced that it will continue to cooperate with the IAEA which gives us a sense that the door is open for further consultations and negotiations, which is what our objective has been.

Question : I am from the Associated Press. Did American pressure apply to your decision at all, not direct pressure from President Bush but you know ... is with the Congress right now and some of the Congressmen had

harsh words for India ...over the last few weeks. Did that factor affect your decision at all?

Foreign Secretary : We know what the American position was but on this particular issue we were dealing mainly with the EU-3 and with some of the other key countries in the IAEA. As I said, the judgment that we made on a vote on this resolution was a judgment made after very careful consideration of all the issues involved. We felt that the resolution as it was passed addressed the main preoccupations which India had. Those preoccupations were, first, that they should not be taken to the Security Council, and as you know this was something which was not something that the US originally wanted. They wanted that this matter should be taken to the Security Council immediately which we did not agree with. Secondly, we wanted that there should be more time allowed for consultations which was also something that the United States of America was not in favour of. But I think it was good that all countries including the United States of America came around to what finally was agreed upon in this resolution.

Question : A quick follow up. This being seen as a big shift in the Indian foreign policy away from the old non-aligned allies towards the West. Did you share that assessment that this is a shift towards a more pro-Western foreign policy more in line with Europe and United States?

Foreign Secretary : I do not think that you should interpret India's position as being aligned on the Left or on the Right or aligned with this group of countries or that group of countries. I think India has all along taken decisions on issues of concern to itself on the basis of its own assessment, and on the basis of its own national interest. So, the question of this representing a shift in India's policy does not arise. And, as I said, much of the effort that we made, the diplomatic effort that we made, was in fact on behalf of Iran.

Question : Mr. Saran, the resolution itself is based upon the IAEA report and that report does not hold Iran to be in non-compliance with either the statute of the Agency or the NPT. Yet the resolution says that.

Secondly, the caveats and reservations that you have yourself expressed namely that you do not believe that this is a concern for international peace and security and yet the resolution precisely that by referring Iran to the Security Council which is in charge of matters of international peace and security. In view of this the factual basis upon which the resolution is based

itself is flawed and you have yourself reservations and caveats. Would not it have been more logical for you to abstain from a vote which in effect is preparing the ground for a reference to the Security Council?

Foreign Secretary : Any resolution which is adopted in any UN body or in any multination agency is usually a compromise amongst different kinds of viewpoints which are expressed. I do not think that any country or any group of countries would be able to find each and every aspect of its viewpoint represented in the draft. So, I think if you look at the draft resolution, the draft resolution is also a kind of a compromise amongst different viewpoints. The question is, whether on balance it is something which hinders the search for a compromise, search for a negotiated solution or is it something which leads us towards confrontation. If you look carefully at the draft, even though there may be a reference to article XII C and to article III B, it is not something which is held to be currently operational. It is something that is left to the subsequent meeting of the Board to determine whether or not there is any kind of further action required under these provisions. What it says is that currently there is no reference to the Security Council.

I think, for us the main issue was how to avoid something becoming a confrontation at this point because if there had been a reference to the Security Council at this point, Iran itself had said that it would walk out of the NPT, it would rubbish the IAEA additional protocol, it would perhaps begin enrichment activity - all the kind of things which would have led to a major confrontation.

So, I think what is important is that by working together with the three European countries and other delegations we were able to head off something which could have become a major point of confrontation between Iran and the international community. Secondly, we were very keen that the process of consultation which was taking place and which by the way seemed to be making some headway - there was a degree of flexibility being shown by Iran and also by the EU-3 countries but it did not come to a point where the two sides could actually agree upon a course of action. But the trend was in that direction. So, the other preoccupation that we had was that this trend which was already visible should be given full opportunity for further consultation so that some kind of an acceptable compromise could come.

Now, we could have asked for much more in the draft resolution. As

I said, there are elements in the draft which we do not agree with. But, on balance, in terms of the major preoccupations that we had, we felt that the resolution took care of those preoccupations.

Question : Mr. Saran, what is India's stand on conversion? Is it a violation of the NPT? As a signatory to the NPT does not Iran have a right to convert? Is it our understanding that Iran is building a nuclear weapon because

Foreign Secretary : Number one, the suspension of the conversion activity was accepted by the EU-3 itself as a confidence building measure. So, nobody is saying that this is something which is required, legally required, ...

Question : But the whole basis of the EU thing is for political football that is being played. Countries which have no diplomatic relations are a party to this whole effort. How is this violative of the NPT?

Foreign Secretary : Number one, we are not an NPT member. No, we have not said a word about NPT responsibilities or obligations. As far as the conversion activity is concerned, the suspension on conversion was something which was agreed upon freely between the EU-3 and Iran. So, it is not as if we have had anything to do with the ...

Question : I want your opinion Sir, it is not about EU-3, is it our opinion that it is violative of the NPT?

Foreign Secretary : It is not. I have already said that it is not. It is already agreed between Iran and the EU-3 that this is a confidence building measure. So, where is the question of a legal obligation?

Question : Sir, what I am asking is that this is the first time that you have revealed that all these meetings have been taking place. So far till the resolution was passed, I went with the External Affairs Minister to Iran he said not a word. Nobody knew that India was part of this great diplomatic negotiation that was going on. It is for the first time that we are being told. Is this a transparent way of doing things? You issue a statement at midnight that this is the vote. It was pre-decided that India is going to vote in this manner.

Foreign Secretary : That is, I am afraid, you are making assumptions, which are not based on facts. As far as our consultations with various parties

are concerned, they are ... Why should you expect that on all delicate negotiations a blow-by-blow account should be given to the press? Our viewpoint concerning Iran nuclear issue has been publicly articulated by the Prime Minister himself on numerous occasions because this question has been raised during the time when he went to Paris; this question was raised when he was in New York at the end-of- the-visit press conference; and India's viewpoint was very clearly articulated. So, for you to say that somehow or the other we are not being transparent and we are keeping everybody in the dark, I think is not a correct view to take¹.

With regard to our consultations with other countries, this is something which is normal diplomacy. Why should it be something which you take great exception to? We are in the business of trying to, after all this is a country in our region. If a confrontational situation developed, it would have an impact on India's interest too. It makes sense for India to try and play a constructive role in terms of preventing a confrontation from developing. It would not be helpful to India's interests. And what have we done therefore? Listen... As far as this particular issue is concerned, it would not have been helpful to India as it would not have been helpful to Iran if this matter were immediately transmitted to the Security Council. If no time had been given for further negotiations, further consultations – that would have been harmful to India's interests. That would have also been harmful to Iran's interests. Now, if we have played a role in preventing that from happening, and in gaining time for further negotiations to take place, I cannot see how anybody can take exception to this and say that we have somehow been non-transparent. I have given you a very careful assessment of why we felt it necessary to vote for this resolution. The whole purpose of having this press conference is precisely to share those details and be

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1. According to media reports the Official Indian sources discounted any talk of deal around a vote by New Delhi against Iran at the IAEA and the clinching of the July 18 civilian nuclear agreement between the USA and India. Contradicting media speculation of September 30 of any such tie up, official sources said in New Delhi that any suggestion of this nature was only a "conjecture". "Who knew there would be a vote" on Iran in the IAEA before the July Agreement was signed in Washington, the official sources said. They took the view that there was no change in India's position on Iran after Prime Minister Manmohan Singh's remarks in New York. The sources quoted by the media said a Joint Working Group had been set up by India and the US to discuss the reciprocal steps to be taken to implement the July 18 civilian nuclear agreement. India wanted to encourage efforts for an acceptable compromise between Iran and the key Western nations on questions relating to Tehran's nuclear programme. This, they claimed was a continuing process and India's role would be to promote these talks.

transparent. I think you are expecting too much if you want that every time we are going in for some vote we should call a press conference and say look this is how we are negotiating something and this is what is going to be our vote. I think that is a very unrealistic expectation.

Question : On the pipeline sir, the Iran-India pipeline, do you think it is in India's national interest?

Foreign Secretary : I think the decision concerning the Iran-Pakistan-India pipeline is a decision which will be taken on the basis of the economic viability of the project. If this is a project which will enhance India's energy security, if it is a project which is going to be economical from India's point of view, certainly it would be in our national interest and we would go ahead.



377. Media briefing by Official Spokesperson on the reported remarks of the Iranian Ambassador in Vienna.

New Delhi, September 28, 2005.

In response to questions from the media the Official Spokesperson said:

We are aware of the remarks made by the Iranian Ambassador to our Ambassador in Vienna¹. We have also seen remarks made by the Iranian spokesman² concerning economic cooperation with countries that

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1. The Iranian Ambassador reportedly told the Indian Ambassador in Vienna immediately after the vote that the 5-million tonne a year liquefied natural gas deal with deliveries scheduled to begin in 2009 for a 25-year period was off.
 2. According to media reports a Spokesman of the Iranian Foreign Ministry in Tehran expressing surprise at the Indian vote said "Iran will revise these (economic) relations and these countries (that voted against Iran) will suffer. Our economic and political relations are coordinated with each other." It may be recalled that during the visit of the External Affairs Minister to Tehran earlier in September, India was told that the deal was through and that permission from the National Iranian Oil Company board would be forthcoming. It was also reported then that Iran was considering supply of an additional 2.5 million tones of LNG a year being sought by India. However Iranian Embassy in New Delhi in a press release said the \$ 21 billion agreement between India and Iran for export of five million tones of liquefied natural gas was "still in force and passing through ... (its) normal process." The BBC reported quoting Ali Agha Mohammadi of Iran's Supreme National Security Council that Iran had no plans to withdraw from the LNG export deal.

had voted in favor of the resolution on the Iranian nuclear programme at the IAEA.

The Foreign Secretary has met the Iranian Ambassador in Delhi and explained the background to our decision to vote in favor of EU-3 resolution at the IAEA. The importance which India attaches to maintaining traditionally close relations with Iran have also been reiterated¹. We have been given no indication in these interactions of Iran's intentions to review its long-standing and extensive cooperation with India, which is of benefit to and in the interest of both countries.



378. Briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meeting with the Iranian Ambassador.

New Delhi, October 16, 2005.

External Affairs Minister Shri Natwar Singh met the Iranian Ambassador on his (Iranian Ambassador's) request yesterday. The meeting lasted for about an hour.

They discussed bilateral relations, regional issues and international political and security matters.²



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1. Meanwhile Prime Minister Manmohan Singh told reporters on October 1 that the vote was not against Iran, but aimed at giving more time to resolve the controversy over Tehran's nuclear programme. "We have given diplomacy time to find a way out which is acceptable to all," PM told journalists after a function to confer the Lal Bahadur Shastri National Award for Excellence in Public Administration, Academic and Management.
 2. According to media reports the External Affairs Minister and the Ambassador talked about the situation after the vote at the IAEA. Further cooperation between the two countries on the nuclear issue also figured in the discussions. In this context it may be relevant to recall that EAM on October 7 releasing a book on Iran had advocated dialogue to resolve "contradictions" between India and Iran, which enjoyed civilization links and were "neighbours" until 1947. He said: "History is proof that contradictions are best resolved by engagement and dialogue and cooperative efforts of the concerned parties with a view to sincerely implementing the commitments made." He said in the contemporary era the two countries imparted a "strategic dimension" to their relationship covering cooperation against international

379. Statement by Permanent Representative Dr. Sheel Kant Sharma at the International Atomic Energy Agency meeting.

Vienna, November 24, 2005.

We would like to complement the DG for his concise and factual report on the implementation of NPT Safeguards Agreement in the Islamic Republic of Iran contained in the document GOV/2005/87. It is reassuring to find in the report that in the period since the Board last met Iran has been more forthcoming in providing the IAEA additional access to sites and individuals requested. The Report notes that the IAEA has been able to interview individuals involved in procurement who have not been previously made available. It refers to additional documents being made available to the agency in a variety of areas. It appreciates access being given to sites of interest. It is also significant that there is thus new information made available to the Agency, which is being processed. All this characterizes substantive work in progress since the September meeting.

We would also like to emphasize, particularly with reference to paragraph 21 of the report, the imperative need of further exhaustive and meticulous work by the Agency's team to clarify outstanding issues.

It is equally critical to realise that for effectively progressing clarification of issues, full cooperation and a climate of confidence are indispensable. The present situation offers vital diplomatic space for pursuit of our common goals in the Board and confirms India's position that this matter should be resolved within the IAEA. This also strengthens our view that enough time and cooperation be given to the IAEA to complete its work.

Therefore we would like to underline the need to avoid actions that might hinder or undermine confidence. In meeting the IAEA's requirement

terrorism and in the field of hydrocarbons, trade and commerce, development of transit routes, information technology, education and training as well as science and technology. Speaking in the presence of the Iranian Ambassador the Minister said it was New Delhi's endeavour to forge mutually beneficial links with Iran consistent with India's national interest. "Given the cultural links, the shared identity and security imperatives, our two countries have a responsibility to play a role in ensuring peace and prosperity in the region and the world at large," the Minister said.

to pursue any remaining questions, it should be borne in mind that there is no precedent setting and the Agency's activities are to be seen in the specific context of the title of its report i.e. Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran.

In view of the sensitivity of the present situation and the need to avoid failure of the associated diplomatic processes, it is necessary for all of us in the Board of Governors to adopt a united stand and provide dear, consensual guidance to the Director General.

While we show understanding in this perspective to Agency's pleas as spelt out in paragraph 21, we would also like to reiterate that for meeting the challenges and risks of proliferation there is need to come to grips with both the demand as well as the supply side of related equipment material and technology. Paragraphs 5 to 12 of DG's report allude to an entirely uncharted domain in face of which references merely to 'network' appear too simplistic. The additional documentation and, information made available will shed greater light on clandestine proliferation activities of 'foreign intermediaries', in particular the Pakistan-based A. Q. Khan network. This domain too needs to be scrupulously scrutinized. Greater clarity and transparency in this area will serve the interest of the objectives of non-proliferation to which we are all committed. This would also enhance credibility of the IAEA.



380. Media briefing by Official Spokesperson on the meeting between the External Affairs Minister K. Natwar Singh and the Iranian Vice President Prevez Dawoodi in Moscow.

New Delhi, October 27, 2005.

On the margins of the SCO, External Affairs Minister has had some very important bilateral discussions. He met the Vice President of Iran Mr. Pervez Dawoodi yesterday evening. This was a very friendly and cordial meeting in which the Iranian Vice President attached great importance not just to economic cooperation between India and Iran but also to the civilisational and cultural links that bind the two countries together. He also mentioned that the current volume of bilateral trade does not reflect the true potential that exists in the relationship.

External Affairs Minister reciprocated these sentiments and reiterated India's keen desire to promote long term energy cooperation with Iran. On the Iran nuclear issue, the External Affairs Minister emphasized that India would wish to avoid any reference to the UN Security Council and that the matter should be amicably resolved within the purview of the IAEA itself. The Minister also indicated that India was working closely with Russia and China as well as the EU-3 in order to promote a mutually acceptable solution to this issue before the meeting of the Board of Governors of the IAEA in November. The Vice President of Iran appreciated India's position in this regard¹.

Question: The Iranian President yesterday went on record that Israel should be wiped out of the map. Do you have a comment, are you concerned or...

Answer: We have diplomatic relations with Israel. We recognized Israel decades ago.

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1. When on November 7 External Affairs Minister, Shri K. Natwar Singh, had a telephonic conversation with Chinese Foreign Minister Li Zhaoxing during the conversation, the two Ministers reviewed bilateral relations, and also discussed the forthcoming IAEA Board of Governors Meeting on the Iran nuclear issue. They agreed to remain in close touch and to work for a consensus on the matter. On the same day the Spokesperson Navtej Sarna told a press briefing in New Delhi, that Indian and Chinese Ministers were also in touch with Russian Foreign Minister and had developed a broad understanding that the matter should remain out of the Security Council and a consensus should be worked out in consultation with the EU-3 and Iran.

Question: You have nothing to say on the Iranian President's...

Answer: I have said what I have to say.



381. Media briefing by Official Spokesperson in response to questions on Director General, International Atomic Energy Agency's Report.

New Delhi, November 19, 2005.

Government has noted the Report by the IAEA Director General to its Board of Governors on the 'Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran'.

The Report notes that IAEA has been able to interview individuals involved in procurement who have not been previously made available. It refers to additional documents being made available to the agency in a variety of areas. It appreciates access being given to sites of interest. Iran's approach has been described as more forthcoming.

We welcome the progress made in regard to various outstanding issues by Iran and see this as a vindication of our stand, expressed on 24 September 2005, advocating that more time be given to enable us to reach a satisfactory resolution of outstanding issues¹.

The additional documentation and information made available will shed greater light on clandestine activities of 'foreign intermediaries', in particular the Pakistan-based A.Q. Khan network, that is of utmost concern to India as they have seriously affected our national security. Greater clarity and transparency in this area is very much in India's interest. We believe that the principled position that we have taken on focusing on the sources

1. On November 13 Prime Minister Manmohan Singh at his press conference in Dhaka was asked "if it comes to vote (at the November 24 meeting of the IAEA) ...how will your government vote?" He had replied "It depends upon what are the issues which are being voted upon. Our hope is that efforts can be made and should be made to evolve a broad based consensus so that there is no need for a vote. But, if it comes to a vote I cannot predict what we will do. It depends upon what are the issues which are the subject matter of voting or no voting."

as well as the recipients of clandestine proliferation has contributed to this development.

The Director General's Report conveys that IAEA has sought additional assurances in respect of a certain programme and emphasizes the importance of Iran providing additional documentation and access. We trust that Iran will continue to extend necessary cooperation to IAEA to enable the Agency to resolve outstanding issues. This will contribute to the success of ongoing diplomatic efforts and India believes it is important for all concerned to avoid actions that may undermine these efforts.



382. Excerpts from the press conference of Prime Minister Dr. Manmohan Singh on the question of Iran – India pipeline.

Moscow, December 6, 2005.

When asked by journalists about the Iran – India gas pipeline, Prime Minister said the project made sense from the perspective of both energy security and regional détente. "India's needs for commercial energy are increasing very rapidly ...and (our) dependence on the outside world will increase," he said. "Therefore, we are in need of exploring the possibilities of utilizing gas which is available in our neighbourhood in Iran for our development purposes¹. I think the overall demand picture is very encouraging and I believe if the countries of the region get together, this

1. (Prime Minister was answering question at his press conference in Moscow during his visit to that city for the annual Summit level talks with the Russian President.) There was however speculation in certain circles that India was not keen on the gas pipeline. New Delhi discounted any such report and continued to show its keen interest in the project. India was surprised at the remarks of Nicolas Burns, U.S. Under Secretary of State for Political Affairs at the John Hopkins University on December 1 that "Indians have assured us there is no plan on the table that is ready for decision by the Iranian and Indian governments that any plans, any discussions have been hypothetical and are years away." When traveling with Prime Minister on the way back home from Moscow on December 7 the journalists asked about the authenticity of the above assertion, Foreign Secretary Shyam Saran denied having given any such assurance to Burns. He said, "I do not know who it is who supposed to have assured him because it certainly was not us." He added "on the contrary there is an LNG deal that is very much on the cards, though the Iranians have not signed the final documents....Moreover, we have told the U. S that Iran, too is our strategic partner, that

gas can become an important source of promoting regional cooperation," the Prime Minister said. President of Russia Putin indicated at the same press conference the Iranian nuclear issue also figured in the discussion between the two leaders. He said, "We did hope that our Iranian partners will comply with all commitments and undertakings they have given, even unilaterally." He added that neither Russia nor India believed that the potential for the International Atomic Energy Agency closing the Iran dossier had been exhausted. Prime Minister Singh expressed the hope that the issue would be resolved within the framework of the IAEA.



apart from historic ties, there is also the energy relationship." During this flight Prime Minister himself told journalists that Russia had shown interest in the proposed Iran-Pakistan-India gas pipeline and added this matter "will be considered along with all other issues that are relevant." He said the feasibility study had been conducted and that India was interested in the pipeline proposal because it is very short of hydrocarbons. "We need supplies, so if this proposal materializes, it is for the better," the Prime Minister said. Asked whether Russia's expression of interest helped to allay some of the fears he had raised in July about the financial viability of the Iran project, PM said it did. "It helps if more countries came on board," he said. "Russia is the second largest producer of hydrocarbons, so it does help," PM added. Foreign Secretary said the pipeline would go through if it was found to be financially viable. "Political considerations will not matter. The economics of the project have to justify it," he added.

IRAQ

383. Press release of the Ministry of External Affairs on Iraq Elections.

New Delhi, January 31, 2005.

The Government of India have been carefully monitoring recent political developments in Iraq. It has been our view that the restoration of full sovereignty to the Iraqi people is a necessary pre-condition for peace and stability in that country. In that context, the holding of elections in Iraq on January 30, 2005 is a noteworthy development. Preliminary reports about the turnout of voters are encouraging. We hope that these events would set in motion a process that would lead the Iraqi people taking full control of their destiny. As is well-known, India has traditionally strong ties of friendship with Iraq and its people. We would, therefore, welcome the return of political stability and economic prosperity to the country, situated in an area of considerable strategic importance to India, in terms of the large population of Indian citizens who live and work in the Gulf, as also a significant source of our energy supplies. We wish the people of Iraq success in their efforts towards nation- building and stand ready to contribute to the country's reconstruction in an environment free from violence.



384. Press Statement of the Ministry of External Affairs on the formation of Iraqi transitional Government.**New Delhi, May 7, 2005.**

The Government of India welcomes the formation of a new transitional Government in Iraq headed by Prime Minister Dr. Ibrahim Al Jaafari. The Prime Minister has sent a message of congratulations to Dr. Jaafari, wishing the people of Iraq success in their efforts towards building a peaceful, stable and prosperous Iraq. In keeping with India's long tradition of close political, economic and cultural ties with Iraq, Prime Minister conveyed that India values and would like to further strengthen the bonds of friendship between our two countries and peoples, and would be happy to assist in the reconstruction of Iraq and cooperate in areas of mutual interest¹.

**385. Media Briefing by Ambassador C. R. Gharekhan Special Envoy to West Asia.****New Delhi, May 27, 2005.**

Official Spokesperson : Good afternoon everybody. We have with us Ambassador Gharekhan, Special Envoy to West Asia, who has just come back from a four-day visit to Iraq and has very kindly consented to join us today and to share his views and his thoughts with you. May I request you, Sir, to kindly address the press?

Ambassador Gharekhan : I spent about three nights and four days in Baghdad as the Special Emissary of the Prime Minister. I met the Prime Minister of Iraq, Mr. Jaafari and several other Ministers - Minister of Industry, Minister of Oil, Minister of Trade, Minister of Higher Education, Deputy Prime Minister, and then Deputy Minister of Foreign Affairs since the Foreign Minister himself was out of the country.

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1. On May 10 the Prime Minister on his way back from Moscow told journalists traveling with him on board the special aircraft that the Government of India had decided to extend full and wholehearted support to the new Iraqi government. "We would like Iraq to return to stability and democracy" he said. About helping Iraq write a constitution, PM said: "We are not going to impose, but if someone asks us we will be happy to help them."

I stayed in the Embassy Residence and not in any hotel. I was advised that it was better to stay in the Ambassador's Residence than in a hotel. The one hotel where most foreigners stay or put up is somewhat at a distance from the center of Baghdad. So, for the sake of convenience and easier movement, I stayed in the Embassy Residence which was, I must say, very comfortable.

I had good talks with the Prime Minister and other Ministers. I think the first report on my visit, which was given some coverage in the media I understand here, mentions the Prime Minister. I was quite taken in by his almost devotion for Mahatma Gandhi. He is so knowledgeable about Gandhiji. He spoke about his early life in London; how he ate meat in his childhood and condemned himself for having done that; how he went to South Africa at the invitation of a Muslim client; how a very shy young man Gandhiji emerged from there to be a world leader and faced the world power and so on. I did not expect that and I was very impressed with his familiarity with Gandhiji's life and contribution. I handed over to him a letter from our Prime Minister the main point of which was to make an offer to be ready to help Iraq in the exercise of the drafting of their new Constitution.

This Government was formed, as you know, after the elections in January. It took about three months for them to agree on a Government. The main task of this Government is to draft a Constitution. This exercise of drafting of the Constitution has to be completed by the 15th of August. It probably is some indication that they decided 15th of August because they are so close to India. Then, this Constitution will be ratified or will be put to a referendum for ratification in October. And then, if it is ratified, it will lead to new elections by the end of the year and the formation of a new more definitive Government in early January 2006. This is their programme.

Mr. Jaafari, the Prime Minister, was very appreciative of Prime Minister's letter and his offer to help in drafting of the Constitution. I gathered the impression that he would really like to avail of India's experience as a functioning democracy and from India's Constitution. I explained to him briefly the similarities between our two countries - multi-ethnic, multi-cultural, multi-religious - and how we are a federation with unitary features. He was very much, I think, genuinely interested. It remains to be seen whether they would act on our offer. I think if they do not, it would not be for want of any wish on their part but because their timetable is now so short. It is already

almost beginning of June. June and July, almost only two months are left for them to draft a Constitution. So, if they go round India and maybe other countries, to look for some inspiration and guidance from other countries' Constitutions, then it might not leave them much time to get down to the nitty-gritty of putting something down on paper. So, I think that would be quite understandable.

Other Ministers - I was struck really with the friendly feelings for India which I encountered everywhere. Every single Minister spoke about India with genuine warmth and affection. In the past we have had very good relations with Iraq. The fact that we had excellent relations with Iraq during the Saddam regime does not in any way affect the desire of this Government and the people of Iraq to continue the same tradition of close relations with us.

With the Ministers we discussed in a little more detail what were the possibilities. Minister of Higher Education, for example, is very keen on sending more students to India. We already have offered 40 scholarships in our Universities. Plus, we have offered 100 high-tech fellowships. They are very keen and they promised they will fully utilize the quotas for this year, and in fact, they would appreciate even more slots in our Universities.

From some sources - in fact from one of the Ministers - I gathered that the education infrastructure has somewhat deteriorated in Iraq over the last few years. They are very keen to upgrade their educational system. I think this is one area in which India can certainly cooperate with them. Similarly, on industry, on trade, there is a fair amount of good prospects.

We have a Joint Commission. The India-Iraq Joint Commission has existed for some time. So, I invited the Iraqi Minister for Oil, who is the Iraqi Chairman of the Joint Commission, to lead a delegation to India for the next meeting of the Joint Commission. He was, of course, very happy to accept that invitation and will come in course of time.

You are probably interested in the security situation in Iraq. I was there, as I said, for almost four days and I have come back safe and sound in one piece. I moved around a lot in Baghdad. Baghdad, as you must have gathered from the media accounts, is a much violence-afflicted place. There are car bombings there all the time.

When I was there also there were several car bombings everyday. Forty-fifty people were killed during each of the three days that I was there. If you see the streets of Baghdad, they are bustling. People are going about their businesses. Shops are reasonably full. You see all these electronic gadgets, appliances, piled up all over the place. Restaurants are open. People frequent the cafes and so on. So, there is a superficial air of normalcy in Baghdad. But, in fact, the situation is not what it appears to be for the simple reason that violence is going on and on at quite a significant scale. It is very difficult to anticipate or predict what will happen when.

When I was there, operations were going on in the western part of the country, west of Baghdad to flush out foreign terrorists. I do not know the details of that. Maybe there are more details in the media than I could gather there. In the North of Iraq, in Kurdish areas, I was assured by many people that the situation there is very different and very stable. Similarly in the South, the Shia majority area, the situation is more secure than it is in the central and western parts of the country.

So, overall I think the situation will remain one of concern. You cannot say it is a normal situation there. How long it will last? I do not know. Several Ministers suggested that they will get to the top of the situation in a relatively short period of time, in a year or thereabouts. Some others believe that it might take longer than that. We will have to just wait and see how it works out.

As far as the availability of things and life of people as such is concerned, things have obviously become more expensive than in previous times but things are available. You can get almost everything there. The three days that I was there, we had cereal for breakfast and marmalade and jam. Things like that are available I think in reasonable quantities, though, as I said, things are becoming a little more expensive than before.

I also met an important Sunni leader. As we know, the main issue there in Iraq these days is the participation of Sunnis in the governance of the country. The Government has been formed basically by a coalition between the Shias and the Kurds. In the present Government, Council of Ministers, of 36, there are six or seven Sunni Ministers, and there are about 17 Shias and eight Kurds. There are one or two others - Turkman, Christians. There are, if I am not mistaken, a couple of women in the Government also.

The Sunnis by and large had boycotted the January elections. So, it is vital for Iraq to persuade the Sunnis to join the mainstream, the democratic processes. Anybody there, even the drivers and all are talking about democracy. So, there is no doubt, I think, that people welcome the coming of democracy to Iraq. But, because the Sunnis are not represented in sufficient numbers or in sufficiently representative numbers, it is a big vacuum there. So, the effort now on, of this Government, of the Parliament, also of the Americans, is to get the Sunnis on board. In that connection I met a very important Sunni leader and talked to him at great length about the political situation and about the Sunni association with the democratic processes.

I was told by him as well as by many others that Sunnis will take part in the next elections; they will take part in the referendum; and following that they will take part in the election process. There is a Constitution Drafting Committee there and there are some Sunnis on that Committee. I think the number of Sunnis can be improved or increased. But, Sunnis are there. Whatever it is, this Sunni leader as well as other Sunnis have said that Sunnis will take part in the election process. This is a very healthy and welcome development. I hope, we all hope in India, that by the end of this year or early next year, Iraq will have institutions which would command the general acceptance, allegiance of the people at large. There probably will be always some elements not very happy, but one can only express the hope that by only next year Iraq will have institutions which in turn could contribute to the strengthening of those forces which would strengthen the stability and security in the country. Thank you.

Question : You have met so many Ministers and others including the Government. How are they discussing about withdrawal of American forces from there? Second question is related to the Constitution making. What mechanism does exist to ensure that it is a secular Constitution?

Ambassador Gharekhan : Regarding the withdrawal of American forces, I think the Prime Minister, the Defence Minister, the Interior Minister have said publicly that the situation is not stable enough for the Government to ask the Americans or the coalition forces to withdraw. So, they will have to wait for that. Their present priority is the Constitution and then the referendum. There is nothing for us to do. We cannot interfere in their Constitution drafting exercise. It is their sovereign right and privilege to do

so. So, what will be the shape of the Constitution - secular or non-secular - I do not know. But I expect that it will have provisions in it which will promote secularism in the country. Beyond that, I cannot say anything at this stage.

Question : As per the April 2003 Resolution of our Parliament, India is committed to seek a quick withdrawal of US and coalition troops from Iraq. Was there any discussion from your side or any point has been made from your side with reference to that Resolution?

Ambassador Gharekhan : No, that April 2003 Resolution was superceded by a Resolution last year in the Security Council.

Question : I am talking about our Parliament's Resolution.

Ambassador Gharekhan : Our Parliament Resolution means there is no sending of troops. There is perfect understanding of the situation. Not a single Minister or any other leader raised any question with me about India sending troops to Iraq. Nobody raised this question to me.

Question : Your observations on the business opportunities in Iraq.

Ambassador Gharekhan : There will be very good potential for Indian business in Iraq, I think, even more than what we had in the past. We will have to be a little patient. At the same time, I hope that our business houses, Chambers of Commerce and so on, would already have started studying the situation because any amount of material is available on the web, on the Internet. So, if they prepare themselves well for it, I think India would be well poised to enter Iraqi market. They need everything. So, there are good prospects of that.

Question : Who are the people actually making these strikes? According to your assessment, are they Al-Qaeda or are they ex-soldiers of Saddam Hussain?

Ambassador Gharekhan : There are basically three groups of people. One group is called the Nationalists, or the Baathists, or whatever. They are the remnants of the former Iraqi Army. Now, everybody including many in the United States admit that disbanding the Iraqi Army was a major mistake, major error. So, it is generally referred to by the adjective 'Nationalist'. They are opposed to the occupation. They became unemployed overnight. So, they are well-motivated and well-trained people. They want

the occupation forces out of Iraq. The other group is the foreign terrorists. I do not know how many of them are there. But they are there basically to carry on with their Jihad against the United States. And then the third group is the criminal elements. They are just there to kidnap people for a ransom. Whatever they can get out of these hostages' ransom money, they are in it for that kind of a thing. So, there are these three groups.

Question : Sometime back ... (Inaudible)... Saddam Hussain appeared in the media. What is the general reaction? What do people in the Government there in Iraq say?

Ambassador Gharekhan : Nobody mentioned that to me; I did not mention it to anyone. I do not know.

Question : Did you meet any of the American authorities?

Ambassador Gharekhan: No.

Question : When do you expect our Ambassador to be there?

Ambassador Gharekhan : As soon as we are ready to send him there. I think the process is on. The process of identifying someone to go there is on. The Government wants to send an Ambassador there as early as possible. But I may add that we have Cd'A there, Charge d'Affaires there, who is doing very good work. He is very active. He has established very good contacts in a short period of time. So, we are not suffering there by not having a full-fledged Ambassador there. But, obviously, if we have a full Ambassador, certainly it will help a lot in access and so on.

Question : In your interaction with the Shia leaders, did you get the impression that the Ayatollahs in Iraq will play a dominant role as in Iran?

Ambassador Gharekhan : Well the Ayatollah, the Grand Ayatollah of Shias, Ayatollah Ali al-Sistani, is a key player in Iraq. He is obviously playing a very moderating role and a very wise role. So, yes, he is a key personality at this stage. I am not sure whether Ayatollah Sistani wants to play any active part in the Government as such. I do not believe so. But his position is very important.

Question : With the violence happening, do you feel that the people of Iraq accepted the legitimate Government there? Secondly, is there any Indian

Constitutional expert going there to offer his assistance?

Ambassador Gharekhan : As I said earlier, there is always sections of the population as there are now, who do not accept that Iraq is fully democratic country at this stage. But the fact remains that 60 per cent of the population took part in the election and there is an elected Government. The proverbial taxi driver is quite happy and he does believe and accept that there is now a democratic set up. It is not ideal, it is not perfect but everybody accepts that this is a step; this is a very important first step in Iraq's democratic progress. You asked about Constitution. We do not have anyone there because we cannot send unless they ask a Constitutional expert to go there and to help them. But, as I said, there are two things. One is that Iraqis are very highly educated people, very talented, very skilled people. So, they may not, in fact, need much help from outside. Secondly, they are running against time literally. So, if they have to prepare their Constitution in two months' time, then they really do not have much opportunity to consult Constitutions of different countries.

Question : There are some experts saying that US has given Iraq on a platter to the cause of Jihadis and Iraq has fanned violence of Jihad, global Jihad. There are also reports that Al-Qaeda is, despite being a predominantly ... (Inaudible)... brokering some kind of a link between Sunnis and Shias. What are your comments on that? And how Iraq has emerged on the radar screen of global terrorism?

Ambassador Gharekhan : I am afraid to disappoint you, but I really cannot offer you any insight into what Osama-bin-Laden is up to or Al-Qaeda for that matter on bringing about a strategic alliance between Sunnis and Shias. I have no knowledge or assessment of that situation. But I said earlier that there are foreign terrorists. Foreign terrorists have come into Iraq. In what numbers I do not know, but they are active there. I think it would be reasonable to conclude that these people are in Iraq to carry out their Jihad, not against Iraq because they are now in Iraq but, against the United States. So, they probably think that Iraq is a place where they can have American targets to act upon. Otherwise, everything else is known to you as well as it is known to me or anybody else.

Question : Who is taking care of the security of our Embassy there?

Ambassador Gharekhan : There are security guards there.

Question : Are they Indian?

Ambassador Gharekhan : There are Indian and then there or Iraqis.

Question : Or Americans?

Ambassador Gharekhan : No Americans.



386. Intervention of External Affairs Minister K. Natwar Singh at the International Conference on Iraq.

Brussels, June 22, 2005.

Mr. Javier Solana, EU High Representative,

Dr. Condoleezza Rice, Secretary of State of the United States of America,

Excellencies,

The European Union, its Presidency and the Government of United States deserve our appreciation for hosting and organizing this International Conference on Iraq and for the meticulous arrangements they have made for ensuring the success of the Conference.

Dr. Ibrahim Al-Jaafari, Prime Minister of Iraq and his colleagues also deserve our congratulations for their detailed presentation of the developments that have taken place in Iraq. They have analyzed the challenges that their government faces and the steps that it is taking for political and economic reconstruction of the country. On behalf of India, I wish all success for these efforts.

We in India have been closely following recent political developments in Iraq. The restoration of sovereignty to the Iraqi people is essential for the establishment of peace and stability in the country. In this context, the holding of elections in Iraq on January 30, 2005, was a noteworthy and encouraging development. The United Nations played a useful supporting role in that process. India has welcomed the formation of the Transitional Government in Iraq headed by Prime Minister Dr. Ibrahim Al-Jaafari. Soon after its

confirmation by the elected Transitional National Assembly, the Prime Minister of India sent his Special Envoy, Ambassador Chinmaya Gharekhan, to Baghdad, with a message of solidarity and support to Prime Minister Jaafari. He also met several Ministers and conveyed to them our support to the democratic process and to democratic forces in Iraq and our commitment in assisting in the reconstruction of Iraq.

India would like to see a stable, peaceful, prosperous, united and democratic Iraq. Our Prime Minister has conveyed to Prime Minister Jaafari that Iraq could, if it wished, draw upon India's experience in drafting a Constitution for its multi-cultural society. Our own experience as a multi-cultural and multi-religious democracy is that Constitution-drafting is a critically important process that needs to be inclusive in order to ensure its wide acceptance and long-term legitimacy.

India has civilizational relationship with Iraq and traditionally strong ties of friendship with Iraq and its people. We have been deeply distressed at the sufferings of the people of Iraq, especially for the past many years. What Iraq most needs today is security and stability. We condemn the actions of disruptive forces in Iraq and the activities of terrorist elements. Once the security situation improves, Iraq will quickly march on the road to its prosperity. I would like to take this opportunity to reiterate India's continued commitment to provide assistance to the people of Iraq in their humanitarian and reconstruction efforts. India has committed a total of USD 30 million in assistance, USD 10 million through the International Reconstruction Fund Facility for Iraq (IRFFI) and US D 20 million bilaterally. We are providing assistance for human resource development, provision of certain commodities as well as social sector projects in keeping with Iraq's requirements. We stand ready to cooperate with Iraq in providing assistance in capacity building, for security management, as well as for its energy sector.

Excellencies, ladies and gentlemen, I hope this Conference will pave the way towards rededication of international efforts towards assisting Iraq in its political and economic reconstruction. I would also like to take this opportunity to once again convey the best wishes of the people and Government of India to the people and Government of Iraq for their success in this endeavour.



387. Statement of the Government of India welcoming the ratification of the Iraqi Constitution.

New Delhi, October 25, 2005.

Also, the Government of India welcomes the ratification of the new Iraqi constitution by the people of Iraq that will pave the way to the elections under the new Constitution. This is another step in Iraq's transition to full sovereignty and democratic polity and towards enabling the Iraqi people to take full control of their destiny.

India hopes that political stability will soon return to Iraq and wishes the people of Iraq every success in their efforts to bring peace and progress to their homeland, and is ready to cooperate in the reconstruction of Iraq.



388. Briefing points by Official Spokesperson on India gifting fortified biscuits to Iraq.

New Delhi, November 2, 2005.

- India is sending fortified biscuits for the UN World Food Programme's school feeding programme in Iraq. Shri K. Natwar Singh, External Affairs Minister, will formally hand over the biscuits to the Charge d' Affaires of the Iraqi Embassy in New Delhi on 8th November 2005 in the presence of the WFP Representative in New Delhi.
- The gift is part of the US \$ 20 million assistance announced by Government of India towards relief and rehabilitation efforts in Iraq.
- Government of India has contributed around 15,000 metric tons of wheat worth approximately Rs. 15 crore for manufacturing the fortified biscuits. The World Food Programme has made arrangements for the manufacture, transport and distribution of the biscuits to the Iraqi school children.



389. Press release of the Ministry of External Affairs on the elections in Iraq.

New Delhi, December 16, 2005.

The elections held in Iraq on December 15, 2005 represent a significant step forward in the Iraqi political process. It is noteworthy that all sections of the Iraqi population participated in this election which would lead to a more inclusive and broad-based Council of Representatives. Government of India welcomes this important development in Iraq's transition to full sovereignty and democratic polity and hopes that peace and political stability will soon be established in Iraq. It wishes the people of Iraq success in their efforts towards nation-building and is ready to cooperate in the reconstruction of Iraq.



ISRAEL

390. Press Release of the Ministry of External Affairs on Palestine - Isreal Summit at Sharm-el-Shaikh.

New Delhi, February 10, 2005.

Please See Document No. 404.



391. Press release of the Ministry of External Affairs condemning the bombing in Tel Aviv on February 25, 2005.

New Delhi, February 28, 2005.

India strongly condemns the bombing in Tel Aviv on February 25, 2005 and extends its sincere condolences to the bereaved families. It reiterates its opposition to all such acts of terrorism, which go against the spirit of the Sharm-el-Sheikh summit of February 8, 2005 and seek to undermine it. We trust that this will not be an impediment to the continuation of the peace process.



392. Clarification provided by Official Spokesperson on the report of the arrest of an Israeli national in the USA for alleged sale of some nuclear equipment to India.

New Delhi, April 21, 2005.

Question: There have been some reports in the US media that an Israeli has been arrested for supplying some nuclear equipment to India?

Answer: We have seen those reports, which are regarding prosecution proceedings of Asher Karni an Israeli national in the US. There is a reference in these reports that Asher Karni may have sold advanced electronic equipment to government agencies in India. It has also been mentioned that one Humtek Communications of Bangalore had sought to buy electrical components for the Space Applications Centre, through Asher Karni.

We have examined these reports and have found no evidence of any procurement as reported in these news reports. Space Applications Centre has confirmed that no item has been procured from Humtek Communications. Furthermore the Space Applications Centre is responsible for civilian space applications and does not work on rockets as mentioned in these reports.

I may also reiterate that India's indigenous multi-dimensional space

programme has been developed in a transparent manner in order to utilize various space applications such as satellite communications, TV broadcasting, weather prediction and management of natural resources as well as disasters, so as to facilitate the overall social and economic development of India.



393. Press release of the Ministry of External Affairs on the visit of External Affairs Minister K. Natwar Singh to the Israeli Embassy to offer condolences on the demise of former Israeli President Mr. Ezer Weizman.

New Delhi, April 28, 2005.

External Affairs Minister Shri K. Natwar Singh visited the Israeli Embassy today to offer condolences on the demise of the former President of Israel, H.E. Mr. Ezer Weizman. Mr. Weizman was the first Israeli President to visit India from December 29, 1996 to January 5, 1997. The External Affairs Minister wrote in the Condolence Book that President Weizman "was well-known in India and did much to strengthen and deepen India-Israeli relations."



394. Statement issued by Official Spokesperson on Israeli withdrawal from Gaza.

Paris, September 12, 2005.

India welcomes the withdrawal of Israeli settlements from Gaza and northern West Bank, and the Israeli military from Gaza as a positive development and the beginning of a process that we hope will culminate in a mutually acceptable, negotiated settlement in accordance with the Roadmap and the relevant UN Security Council Resolutions.

We trust that this window of opportunity will be used by all sides in taking forward the negotiations that will lead, within a reasonable time frame,

to the creation of a truly sovereign, independent and viable Palestinian State within well-defined and secure borders, living side by side at peace with Israel¹.



395. Remarks by the Official Spokesperson on the observations by the Iranian President on Israel.

New Delhi, October 27, 2005.

Question: The Iranian President yesterday went on record that Israel should be wiped out of the map. Do you have a comment, are you concerned or...

Answer: We have diplomatic relations with Israel. We recognized Israel decades ago.

Question: You have nothing to say on the Iranian President's...

Answer: I have said what I have to say.



1. It may be recalled that during the visit of Secretary (East) Rajiv Sikri to Jerusalem in August for the India-Israel Foreign Office consultations, he was briefed on the latest developments in West Asia and the disengagement plan by the Israelis. The consultations were held within the framework of the agreed minutes between the two foreign ministers signed in New Delhi on May 17, 1993. The discussions included a review of bilateral, regional and multilateral issues as a way to further enhance bilateral relations in diversified fields such as economic and commerce, culture, science and technology and people-to-people contacts. On August 15 Minister of State E. Ahamed speaking to media in New Delhi said: "We hope West Asia peace process proceeds (on course). India will take care that bilateral relations with Israel have no negative impact on the traditional and deeply committed relationship with Palestine." Recalling New Delhi's offer to extend \$15 million-worth of assistance to Palestine besides supplying medicines and vehicles, the Minister said the government was giving a "new thrust" to its ties with the Arab and Islamic world.

396. Statement by Official spokesperson on violence in Isreal and Palestine.

New Delhi, November 3, 2005.

Please See Document No. 407.



397. Statement by Sitaram Yechury Member of Parliament and Member of the India Delegation on Agenda Item 31: Report of the Special Committee to Investigate Israeli practices affecting Human Rights of the Palestinian People and other Arabs in the Fourth Committee of the 60th session of the UN General Assembly.

New York, November 7, 2005.

Please See Document No. 744.



398. Statment by Special Envoy for West Asia and Middle East Peace Process Ambassador Chinmaya R. Gharekhan on the agreement concluded between Is-rael and Palestinian Authority.

New Delhi, November 15, 2005.

Please See Document No. 409.



JORDAN

399. Statement by Official Spokesperson on terrorist attacks on November 9 in Amman.

New Delhi, November 11, 2005.

We strongly condemn the terrorist attacks in Amman on Wednesday which resulted in the death of many innocent people and injured many more. Terrorism cannot be condoned in any form. The international community should cooperate closely to counter terrorism everywhere with determination and firmness.



KYRGYZSTAN

400. Press release of the Ministry of External Affairs regarding Government of India's donation of humanitarian aid worth Rs. 22.13 lakh to Government of the Republic of Kyrgyzstan.

New Delhi, December 12, 2005.

Government of India has donated medical equipment and medicines worth Rs. 22.13 lakh to Government of the Republic of Kyrgyzstan as humanitarian aid. The material was handed over, in a ceremony held in Bishkek on December 8, 2005, to H.E. Mr Aidaraliev, Deputy Minister of Emergency Situations of the Kyrgyz Republic by Shri A. Ramesh, Ambassador of India to the Kyrgyz Republic.

This was in response to a request received from the Government of the Kyrgyz Republic seeking assistance to mitigate the consequences of heavy rains and floods that struck Southern Kyrgyzstan in recent months causing landslides. The donation consisting of life saving drugs, antibiotics, X-ray machines, mobile anaesthesia apparatus, portable defibrillator, and apparatus for artificial respiration will strengthen the capacities of the local

authorities in Kyrgyzstan to respond to very specific demands that have been generated by such a type of natural disaster.

Government of India also conveyed to Government of Kyrgyzstan its solidarity with the people of Kyrgyzstan and expressed the hope that support provided would alleviate to some extent the problems being faced by the people in the affected regions.

The humanitarian assistance to the friendly people of Kyrgyzstan is part of India's efforts aimed to increase cooperation with countries in Central Asia which form part of our extended neighbourhood. India and Kyrgyzstan share strong historical and cultural ties and are today engaged in diversifying relations and expanding cooperation. India is also engaged in executing other cooperation projects in Kyrgyzstan such as in the field of small and medium enterprises, information technology, high altitude medical research and educational training.



OMAN**401. Briefing points by Official Spokesperson on the meeting between External Affairs Minister and Oman's Foreign Minister.****New Delhi, August 24, 2005.**

- External Affairs Minister held discussions today with Mr. Yousef Bin Alawi, Minister responsible for Foreign Affairs of Oman.
- India and Oman have had traditionally close bilateral relations.
- This year we celebrate 50 years of establishment of diplomatic contact.
- India will be inaugurating the largest India-invested project abroad from OMIFCO Fertilizers Project in Oman.
- The two ministers discussed matters of mutual interest, including exchange of high-level visits.
- India's relations with the Gulf as a whole were also discussed.

**402. Press release of the Ministry of External Affairs on the exchange of Instruments of Ratification of the Extradition Treaty between the Republic of India and the Sultanate of Oman.****New Delhi, September 14, 2005.**

The Government of the Republic of India and the Government of the Sultanate of Oman exchanged the instruments of ratification of the Extradition Treaty between the Republic of India and the Sultanate of Oman bringing the Treaty into force after one month from the date of exchange.

The Treaty was signed on 26th December, 2004 at Muscat for effective cooperation between the Republic of India and the Sultanate of

Oman in suppression of crime and to facilitate extradition of fugitive offenders. From the Indian side, the Treaty was signed by the Minister of External Affairs Shri K. Natwar Singh and from the Omani side by Minister Responsible for Foreign Affairs Mr. Yousuf Bin Alawi Bin Abdullah.

With the completion of the ratification process by both the sides, exchange of the instruments of ratification took place in New Delhi on September 14, 2005. From the Indian side, Secretary (East) Shri Rajiv Sikri and from the Omani side Ambassador of Sultanate of Oman to Indian Mr. Khalifa Bin Ali Al-Harthy signed the Process Verbal on the occasion and exchanged the instruments of ratification.



PALESTINE

403. Media briefing by Official Spokesperson on the letter received by the Minister of State E. Ahamed from President of Palestinian Authority Mahmoud Abbas.

New Delhi, January 20, 2005.

- The President of Palestinian National Authority, Mr. Mahmoud Abbas has sent a letter to Shri E. Ahamed, Minister of State for External Affairs appreciating the congratulatory letter sent by the Minister to him on his victory in the presidential election held recently.
- Mr. Abbas expressed appreciation for India's stand on the Palestinian people and their cause. He recalled India's deep and strong historical relations with Palestine and expressed hope that with the help of India and other friends the people of Palestine would be able to "practice and restore their inalienable national rights and establish their independent State with holy East Jerusalem of 4/6/1967 borders as its capital".



404. Press release of the Ministry of External Affairs on Palestine - Israel Summit at Sharm-el-Sheikh.**New Delhi, February 10, 2005.**

The Summit in Sharm-el-Sheikh on February 8, 2005 and the significant meeting between the leaders of Israel and Palestine after a gap of about four years is an important step in the resumption of the Israel-Palestine peace process and deserves the support of the international community. We have noted the encouraging statements of both leaders. However, a number of important issues remain to be addressed. India has consistently urged an end to violence from all sides. We look forward to further progress in the peace process that would bring about a just and peaceful solution within a reasonable time frame, leading to a sovereign, independent State of Palestine with well-defined and secured borders, living at peace with the State of Israel.

**405. Media briefing by Secretary (East) Rajiv Sikri on the visit of Palestinian President Mahmud Abbas.****New Delhi, May 20, 2005.**

Secretary (East) : As you know the President of Palestine Mr. Mahmoud Abbas is currently in Delhi.¹ His visit is still on. He has come on a short working visit as part of a multi-nation tour. He has already met with the Prime Minister last evening who hosted dinner for him. He met Shrimati Sonia Gandhi this morning and now in the afternoon he is meeting Rashtrapatiji. Then he takes off for Cairo and elsewhere.

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1. On May 17 the Official Spokesperson had in a media briefing gave the background of the visit and said "India has extended its consistent and unwavering support to the Palestinian cause as it shares the perception that the question of Palestine is at the core of the conflict in the Middle East and India has supported the legitimate right of the Palestinian people to a State and the imperative need for a just, comprehensive and lasting peace in the region based on UN Security Council Resolutions 242, 338, the principle of "land for peace" and more recently the Roadmap of the Quartet. You are familiar with this position. India also co-sponsored the draft Resolution on the right of Palestinians to self-determination during the 53rd session of the UNGA and voted in favour of it. In terms of economic relations, it is difficult to arrive at an exact figure because of the nature of the situation but the direct

India's relations with the Palestine government are, as you know, very close. Our relationship with Palestine is historical. With President Arafat, it was a very close personal relationship with our leaders also. President Abbas' visit now provides us with an opportunity to build on and develop relations with the new leadership of Palestine. Our empathy and support for the Palestinian cause, which has been consistent and unwavering, was signified in the high-level delegation led by the Minister for External Affairs that went to Cairo for President Arafat's funeral. The government has appointed a special envoy for West Asia and the Middle East Peace Process, Ambassador Gharekhan, who also went to Palestine a couple of months ago and met with President Abbas. So, this visit is a continuation of the excellent contacts that exist between Palestine leadership and India and between the people of Palestine and the Indian people.

President Abbas gave his impressions about what is happening in the Occupied Territories and Palestine. They are a little disappointed with the lack of progress in following the Sharm El-Sheikh Summit. But they remain optimistic that there would be some greater engagement and movement towards a final solution. India's commitment to the cause of the Palestinian people has been expressed not only in words and moral and diplomatic support - as you are aware, in the UN we have consistently voted for all resolutions on the Palestinian question - but also in concrete terms like providing assistance - we have given a lot of training assistance, set up schools, libraries, provided some equipment. Minister of State for External Affairs Mr. E. Ahamed had gone there last year and he had taken with him some vehicles and medicines. During his meeting with the Prime Minister, the Prime Minister conveyed that we would continue to support Palestine and do whatever we could in our own way to help the Palestinian people and the Palestinian State. He conveyed the decision of the government to give USD 15 million to the Palestinian National Authority for projects that would help Palestine to rebuild - it could be infrastructure projects, social sector projects like schools, hospitals. There was a request

bilateral trade between India and Palestine in 2001 was about US\$ 20 million. Major telecom software projects have been undertaken in Palestine by Indian companies like TCIL and Satyam Computers. Pharmaceutical projects with Cipla and Serum Institute of India are also being signed up for implementation. India had pledged US\$ 3 million as donor assistance to the PNA and out of this over US\$ 2 million has been disbursed. Two projects have been completed in the field of higher education. There is Jawaharlal Nehru Library in Al Azhar University in Gaza and the Mahatma Gandhi Library and Student Activity Centre also in the Gaza strip. These were inaugurated as far back as in 2000."

for a Palestinian Embassy in Delhi, the land for which has already been gifted to Palestine earlier.

This visit of President Mahmoud Abbas is an important one not only in the context of Indo-Palestine relations but also as an important one that is strengthening our relations with the Arab world in general to which, as you are aware, this Government attaches very high priority.

Question : Did he make any request for mediation between Israel and Palestine?

Secretary (East) : Palestinians are always keen that the international opinion should try and influence Israel to be more accommodative. So, that is the standard Palestinian request to all countries. We have certainly been supportive. As I have said, we have been supportive of Palestinian causes consistently in all fora.

Question : Did you really talk to Israel on this?

Secretary (East) : Of course, in our dialogue with Israel we have urged and also publicly we have said that there is no alternative to a negotiated solution that takes care of the legitimate aspirations of the Palestine people and fulfills the demand for a Palestinian state that is viable, and that this cycle of violence and counter violence is counter productive. So, we urged that there should be discussions and negotiations. President Abbas said that they are committed to nonviolent means and they hope that this would achieve the objectives and goals of the Palestinian people in their search for a better life for themselves.

Question : Does this 15 million aid have a timeframe?

Secretary (East) : It will depend on projects. It will be for projects. There is no specific time frame.



- 406. Statement by Prof. K. M. Kader Mohideen Member of Parliament and Member of the Indian Delegation to the UN on Agenda Item 30: The UN Relief and Work Agency for Palestine Refugees in the Near East at the Fourth Committee of the 60th session of the UN General Assembly.**

New York, November 2, 2005.

Please See Document No. 742.



- 407. Statement by Official Spokesperson on violence in Israel and Palestine.**

New Delhi, November 3, 2005.

We strongly condemn the several incidents of violence and terrorism in Israel and Palestine in recent weeks in which many innocent civilians have been killed or injured. It is essential to put an end to this cycle of violence that does not augur well for forward movement on the peace process. We hope that all parties concerned will exercise maximum restraint, abjure violence and return to the negotiating table to enable progress to be made for a peaceful resolution of the remaining issues of the Roadmap.



408. Statement by Sitaram Yechury Member of Parliament and Member of the Indian Delegation to UN on Agenda Item 31: Report of the Special Committee to Investigate Israeli practices affecting Human Rights of the Palestinian people and other Arabs in the Fourth Committee of the 60th session of the UN General Assembly.

New York, November 7, 2005.

Please See Document No. 744.



409. Statement by Special Envoy for West Asia and Middle East Peace Process Ambassador Chinmaya R. Gharekhan on the agreement concluded between Israel and Palestinian Authority.

New Delhi, November 15, 2005.

India warmly welcomes the agreement that was concluded today between Israel and the Palestinian Authority on the Rafah border crossing, travel between Gaza and the West Bank, and for building a sea port in the Gaza Strip.

This is a significant development that, we believe, would go a long way towards improving the lives and economy of the Palestinian people living in the Gaza Strip. I know that it was not easy for the two sides to find answers to all the complicated issues of security and dignity.

I express my appreciation for the tireless efforts made most of all by the parties themselves who displayed the necessary spirit of understanding and cooperation. I also acknowledge the contribution made by others, especially the Secretary of State of the United States, and the Special Envoy of the Quartet Mr. James Wolfensohn, in facilitating this agreement. I am confident that this would lead to further steps in the context of the Roadmap.



- 410. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on Agenda Item 15: Question of Palestine and Agenda Item 14: "The situation in Middle East" at the 60th session of the General Assembly.**

New York, November 29, 2005.

Please See Document No. 754.



QATAR

- 411. Press release of the Ministry of External Affairs regarding a terrorist attack in Doha.**

New Delhi, March 22, 2005.

We condemn the terrorist attack in Doha on March 19, 2005, which took the life of an expatriate and caused many casualties and considerable property damage. We express our condolences for the victims of this criminal act, which targeted innocent people, and convey our sympathy and solidarity with the government and people of the State of Qatar, with which India has very close, friendly and cooperative relations.



412. Speech of President A. P. J. Abdul Kalam at a banquet in honour of the Emir of the State of Qatar Sheikh Hamad Bin Khalifa Al-Thani.

New Delhi, April 14, 2005.

Your Highness Sheikh Hamad bin Khalifa al-Thani,
Emir of the State of Qatar,
Excellencies,

Ladies and Gentlemen,

It gives me great pleasure to welcome Your Highness and your delegation to India, both as a close friend and as a country with whom we have the friendliest of relations.

The friendship between our two countries goes back many centuries and our bonds have been re-vitalised in recent years. We are now close partners in the energy sector, which links rich hydrocarbon resources with the growing demands of India's rapidly expanding economy. Through the centuries, we have been tied through trade and travel and a shared civilization; it is, therefore, a matter of deep satisfaction for us that the large Indian community resident in Qatar continues to make a significant contribution to both our countries. We deeply value your commitment to their welfare, along with that of all other residents of your great country.

We have been impressed by the fact that Your Highness has started Qatar on the road to participatory democracy by involving your people in decision-making. Under your leadership, Qatar has taken many initiatives for empowerment of women and by creating space for institutions of civil society, along with the modernisation of the economy. You had remarked in an address a few weeks ago that there are hopes that the countdown for the democratic era in the Middle East has begun. Thus, you can be justifiably proud of having been one of the pioneers in this regard. For us, democracy is not just the form of government we chose for ourselves; it is the foundation of our political ethos reflecting cultural values from our past and our aspirations for the future.

India's rapid economic growth provides exciting and new opportunities for partnership. It is a matter of great satisfaction that Indian

capital investment and labour are engaged in several projects in Qatar. We wish to multiply such examples of cooperation for mutual benefit. India has today become one of the preferred investment destinations in the world due to its large market, a skilled and relatively young work force, liberalised investment norms and exciting opportunities in a variety of sectors, especially manufacturing, IT, education and health. As our relations with Qatar have grown from strength to strength in recent years, we need to infuse the same dynamism into our economic ties. We welcome Qatari investments in our economy and look forward to a new era of cooperation for mutual benefit of our two nations. Broad based economic relations will further strengthen our close political and strategic relationship based on centuries of historical and cultural links.

The Gulf region and West Asia constitute an area of special focus in India's foreign policy. It forms part of our strategic neighbourhood, an important source of energy and home to millions of Indians. It is also our major trading partner. Our multi-faceted ties are steadily and rapidly developing. I am confident that our trade and economic cooperation will grow as a result of the India-GCC framework agreement signed last year. It is a matter of considerable satisfaction that over the last few months there has been significantly enhanced high level and other exchanges between India and the Arab world. We look forward to increasing our understanding on issues of mutual concern and strengthening mutual cooperation.

Your Highness, history provides us with a foundation for taking our relations forward; we wish to work with you to give these ties content and substance, which are relevant to the 21st century. We are conscious of Qatar's dynamic growth and the vast opportunities that this has opened for increased industrial and technological collaborations, as well as cultural, scientific, sporting and other interactions. The discussions Your Highness had with us today have confirmed that we share a great similarity of outlook on many of the important issues of the world at large and our region in particular. I was very happy to note that we have signed an agreement on air services between our two countries. We would like to establish long-term relations with Qatar in the field of LNG and we would also like to work with you in the areas of oil and gas exploration. We are confident that these discussions and our continued close relationship will be a constructive factor for stability and cooperation in the face of rapid changes taking place

throughout the region. We look forward with confidence and trust to working together with you for a better future.

Distinguished guests, may I request you to join me in a toast to the:

- health and happiness of His Highness Sheikh Hamad bin Khalifa al-Thani, Emir of the State of Qatar,
- prosperity and development of Qatar and its friendly people; and
- abiding Indo-Qatar friendship and cooperation.



413. Media briefing by Official Spokesperson on the State visit of Emir of the State of Qatar.

New Delhi, April 15, 2005.

- His Highness Sheikh Hamad bin Khalifa Al-Thani, the Emir of the State of Qatar paid a State visit to India from 13 – 15 April 2005 at the invitation of President Shri A.P.J. Abdul Kalam. The visit symbolizes the traditionally close and friendly relations between India and Qatar and the joint desire to expand and intensify the on-going fruitful interactions. During the visit, His Highness the Emir was received by the President and had detailed discussions and exchange of views with Prime Minister Dr. Manmohan Singh. Shri Bhairon Shing Shekhawat, Vice-President of India called on the Emir. Other Indian dignitaries who called on the Emir included Minister of Defence Shri Pranab Mukherji, Minister for Petroleum & Natural Gas Shri Mani Shankar Aiyar, Leader of Opposition Shri L.K. Advani and Minister of State (Independent Charge) for Civil Aviation Shri Praful Patel.
- The discussions during the visit were marked by cordiality and warmth reflecting the close ties between the two countries. Both sides expressed satisfaction at the progress in bilateral relations and underscored the need to take full advantage of the economic complementarities between the two countries for mutual benefit.

- Both sides expressed satisfaction at Qatar emerging as a leading supplier of LNG to India and noted that this established a mutually beneficial relationship between the two countries. During the discussions Qatar agreed to give priority to meeting India's needs for additional LNG in future. Both sides welcomed ONGC's participation in oil and gas exploration in Qatar, which would open new avenues for cooperation in the field of energy between the two countries.¹
- The two sides welcomed the increased interaction between Indian and Qatari business communities. They agreed to promote and encourage mutual investments in infrastructure, industries and services.
- An Air Services Agreement was signed during the visit. It was also agreed to convene discussions to further expand the Civil Aviation links between the two countries to enhance travel and trade ties.
- Both sides agreed to pursue discussions for cooperation in health and tourism. Both sides agreed to cooperate in the area of information technology. - Both sides expressed satisfaction that their views on regional and international issues are marked by similarity of outlook.
- Both sides agreed on the need to expand the UN Security Council to make it more representative and increase its effectiveness. The Qatari side reiterated its support to India's candidature for Permanent Membership of an expanded Security Council.
- Prime Minister briefed His Highness the Emir on recent developments

1. On April 14, the Emir addressing Industry leaders in New Delhi said that Qatar "looked forward to deepening the cooperation between Qatar and India in the field of oil, natural gas, petrochemicals, steel and other strategic industries that are important for our two countries." "Our joint efforts and determination to go ahead with the implementation of this project (LNG's Dahej terminal in Gujarat) have been crowned with success where we were able to sign an agreement for exporting 7.5 million tonnes of LNG annually to the Indian markets in two phases," the Emir said. He said that Qatar was also encouraging its private sector to participate in the stock market and direct investments in India. Expressing satisfaction at the growth of economic relations since the signing of the New Delhi agreement in 1994, he said trade had increased especially in the areas of oil, natural gas, fertilizers and petrochemicals. In 2004 Qatar exported 15, 000 tons of low density Poly-Ethylene and about 100, 000 tons of Methanol while fertilizers export from Qatar covered about 26 percent of Indian needs.

in India's neighbourhood as well as the initiatives taken by India for promoting peace, stability and cooperation in the region. His Highness the Emir welcomed the steps taken by India and briefed the Prime Minister on developments in the Gulf region.



414. Briefing points by Official Spokesperson on the visit of Qatar's Minister of State for Foreign Affairs Ahmed bin Abdullah Al Mahmoud.

New Delhi, June 21, 2005.

The two-day meeting between the multi-disciplinary delegations of India and Qatar led by Shri E. Ahamed, Minister of State for External Affairs of India and Minister of State for Foreign Affairs of Qatar Mr. Ahmed bin Abdullah Al Mahmoud ended today in New Delhi.

- During the discussions Shri Ahamed said that Mr. Mahmoud's visit showed Emir of Qatar's interest in our region and that India would fully reciprocate by developing cooperation with Qatar in areas identified during the Emir's visit to India in April 2005.
- The two delegations held discussions focused on major areas of cooperation identified such as energy, trade and investment, security, consular matters and community welfare, defence, education, S&T and health. In the field of petroleum and natural gas the issues discussed included LNG imports from Qatar and its pricing, Indian participation in the GUSA pipeline, OVL's participation in upstream blocks in Qatar and mutual downstream investments in both countries.
- MOS Shri E. Ahamed said that in the fields of education, S&T and health, India would be happy to participate in Qatar's programmes as also cooperate in HRD through its institutions of excellence. He also said that a number of promising projects for education, training and research in Qatar had been identified including the setting up of

an Information and Communication Technology (ICT) Centre of Excellence.

- The Qatari Minister called on the Ministers of Petroleum and Natural Gas, Finance and Commerce and Industry¹. The Qatari delegation would also be visiting Kerala.



1. When the visiting Qatari Minister met the Commerce Minister on June 20, the latter described "Qatar is an important trading and investment partner of India, especially with India emerging as Qatar's largest customer for LNG (Liquefied Natural Gas)." In view of the growing importance of trade between India and Qatar, Commerce Minister urged Qatar to consider Indian companies for participation in turnkey projects, major civil construction works coming up in Qatar and sub-contracting in energy-intensive and export oriented projects. India is the 8th largest destination of Qatar's exports and 10th largest in terms of value of Qatar's imports. India is the largest supplier of readymade garments, tea and vegetables to Qatar. India also has a significant share in Qatar's import market for machinery and instruments, rice, marble, gold and precious metals, bus tyres, cosmetics, textiles and ceramics. The volume of bilateral trade has been increasing over the years. During 2004-05, the non-oil trade volume stood at US \$ 776.11 million as against US \$ 315.44 million during the previous year 2003-04. Around 20% of the population of Qatar consisted of non-resident Indians (NRIs).

SAUDI ARABIA

415. Press release of the President's Secretariat condoling the passing away of the King of Saudi Arabia.

New Delhi, August 1, 2005.

The President, Dr. A.P.J. Abdul Kalam has condoled the passing away of the King of Saudi Arabia, King Fahd bin Abdul Aziz Al-Saud.

In a condolence message to the new King of Saudi Arabia, King Abdullah Bin Abdul Aziz Al Saud, the President has said, "In the passing away of King Fahd, the Kingdom of Saudi Arabia has lost a leader and the world an elder statesman. The wisdom and vision of King Fahd shaped the development of the Kingdom of Saudi Arabia as a stable, prosperous and modern nation state.

India joins the ruling family and the leadership as well as the people of the Kingdom of Saudi Arabia in mourning their deep loss in the death of King Fahd.

May God give the people and the leadership of the Kingdom of Saudi Arabia strength and courage in this hour of bereavement".



416. Press release issued by the Ministry of External Affairs on the demise of His Majesty King Fahd Bin Abdul Aziz Al-Saud of Saudi Arabia.

New Delhi, August 2, 2005.

The Government and people of India have received with deep sadness and shock the news of the demise of His Majesty King Fahd Bin Abdul Aziz Al-Saud, Custodian of the Two Holy Mosques and King of the Kingdom of Saudi Arabia. In the passing away of His Majesty King Fahd, the Kingdom of Saudi Arabia has lost a leader and the world an elder statesman. The achievements of the Kingdom of Saudi Arabia under his leadership stand testimony to his vision.

India has maintained close and friendly relations with Saudi Arabia under the leadership of King Fahd. These bonds have been especially strengthened by the presence of the large expatriate Indian community which has found a home in the Kingdom of Saudi Arabia.

The Government of India has declared one day mourning today and flags will be flown at half-mast. Shri P.M. Sayeed, Hon'ble Minister of Power, will represent the Government of India at the Funeral of His Majesty King Fahd due to take place later today in Riyadh.

President Dr. A.P.J. Abdul Kalam and Prime Minister Dr. Manmohan Singh have sent messages of condolences to His Majesty King Abdullah bin Abdul Aziz Al-Saud, Custodian of the Two Holy Mosques, Kingdom of Saudi Arabia.



417. Remarks of External Affairs Minister in the condolence book at the Saudi Embassy on the passing away of His Majesty King Fahd Bin Abdul Aziz Al-Saud, King of the Kingdom of Saudi Arabia.

New Delhi, August 5, 2005.

"With the passing away of His Majesty King Fahd Bin Abdul Aziz Al-Saud, King of the Kingdom of Saudi Arabia, Custodian of the Two Holy Mosques, the world has lost an elder statesman of vision and sagacity. For our brothers in the Kingdom of Saudi Arabia and for members of the large Indian community there, the loss is especially poignant. On behalf of the government and people of India I offer my deepest condolences."



418. Felicitations of President A. P. J. Abdul Kalam to King of Saudi Arabia King Abdullah Bin Abdul Aziz AL Saud.**New Delhi, August 8, 2005.**

The President Dr. A.P.J. Abdul Kalam has congratulated His Majesty King Abdullah Bin Abdul Aziz Al Saud, Custodian of the Two Holy Mosques, King of Saudi Arabia, Riyadh, on his accession to the throne. In a congratulatory Message to the King, the President has said,

"On behalf of the Government and the people of India and on my own behalf I have great pleasure to congratulate Your Majesty on your accession to the throne. I am sure that under your Majesty's leadership, the Kingdom will witness further progress and prosperity and the traditionally close and friendly Indo-Saudi ties will grow stronger to our mutual benefit.

I would also like to take this opportunity to reiterate our invitation to you to visit India and to extend best wishes for Your Majesty's long and prosperous reign, good health and happiness, and for the people of the Kingdom of Saudi Arabia, their happiness and prosperity."



SYRIA

419. Press release of the Embassy of India in Damascus on the visit of Minister of State E. Ahamed to Syria.

Damascus, September 27, 2005.

Syrian President Dr Bashar Al-Assad has said that doors are wide open for India to play a major role in the Middle East and in the world. He was meeting Indian Minister of State for External Affairs Shri E Ahamed at the People's Palace in Damascus today. On his part, Shri E Ahamed stressed the importance of Syria in establishing a just and durable peace in the Middle East region. Minister is currently on a three day visit (Sept 26-28, 2005) to Syria, which is aimed at maintaining the momentum of political interaction at high-levels between the two countries.

Shri Ahamed expressed concern on the daily events of violence in Iraq. He said that the greatest challenge in front of us is to ensure stability in the region, to see how multilateral diplomacy could still remain valid, how the centrality of the United Nations is re-established and more importantly, how interference in internal affairs of sovereign countries by outside forces could be avoided. Underlining the centrality of Syria in the future of Iraq and the resolution of the Arab-Israeli conflict to achieve a durable and comprehensive peace in the region, Minister said that resolution of this conflict is unlikely without the active participation of Syria. Mr. Farouk Al-Shara', Minister of Foreign Affairs of the Syrian Arab Republic was also present in the meeting.

Minister also appreciated Syria's withdrawal of Syrian forces from Lebanon in line with the Taif Accord and the UNSC Resolution 1559. He said that India believes that other UNSC Resolutions on the Middle-East also need to be implemented fully for achieving a comprehensive peace in the region.

Shri Ahamed reiterated invitation to the Syrian President for visiting India in the near future. Both leaders also held discussions on the Indo-Pak peace process; Indo-US, Indo-China, and Indo-Russian relations; and terrorism. Minister praised Syria's efforts in combating terrorism. He said that India has always supported the Palestinian cause and recognizes their

legitimate rights. Both leaders discussed the regional situation, the Middle East Peace Process, Iraqi situation and the India-Syria cooperation at various international fora.

Minister also briefed President Assad on the efforts being made by India to rejuvenate the Non-Aligned Movement and expressed hope for regular consultations with Syria in this regard. He also proposed a Joint Working Group on Terrorism with Syria for exchange of views. The possibility of setting up of a Joint Study Team/Task Force, which could study the complementarities of interests and capabilities on both sides and in a prescribed time frame suggest optimal cooperation possibilities in these fields, was also discussed. India would also be sending a few experts to Syria in the fields of Information Technology, Petrochemicals and Small & Medium Enterprises so that they could share India's expertise and knowledge with their Syrian counterparts.

Syria has, in the past, supported India at various international fora including the OIC, NAM and the United Nations. Syria has also supported permanent UNSC membership for India. On its part, India has consistently supported the Arab cause and continues to call for a comprehensive and lasting peace, based on full implementation of UNSC resolutions 242 and 338, 497, 1397 and the 'Land for Peace' principle.

Both countries have recently seen a good progress on the economic front. The bilateral economic relations are flourishing in fields such as hydrocarbon, power transmission, auto spare parts, machinery and equipment for the refineries etc. Bilateral trade between the two countries, which was a meager USD 35 million in the mid-90s is now reaching the level of US\$ 300 million in 2005. India has also committed investment in the Block No.24 near Deir Ezzor for exploration of oil and gas.

Some of the Indian companies like CMC, ONGC-Videsh, BEML, ABB India, etc. have had fruitful cooperation with Syrian companies. CMC is working on computerized ticketing system for Syrian railways, while ONGC Videsh-led consortium is to explore oil and gas resources in Syria. BEML has been supplying earthmoving equipment. ABB is supplying electric substations. More and more Indian companies are also being involved in Syria in the fields of electricity generation and distribution, oil field equipment and export of traditional items like jute and other products. India has also

cooperated with Syria in establishing a National Biotechnology Centre. Cooperation in the field of higher education, particularly IT enabled education has been increasing and a number of Syrian students are benefiting from the ITEC programme and a number of them are being placed in premier Indian educational institutions through Ed.CIL and under Cultural Exchange Programmes. However, vast potential still remains to be realized in the field of emerging technology areas like IT enabled services and biotechnology.

Meeting of Minister of State for External Affairs Shri E. Ahamed with H.H. Moran Mor Ignatius Zakka I Iwas

During his stay in Damascus the Minister met with H.H. Moran Mor Ignatius Zakka I Iwas, Patriarch of Antioch and All the East, Supreme Head of the Universal Syrian Orthodox Church. Both had a very cordial meeting and held discussions on the Syriac Christian community in Kerala and people to people relations between both the countries. His Holiness Patriarch recalled his visit to India and described India as 'a role model for democracy'. Praising India, he said that India is doing very well and appreciated the secular nature of Indian polity and society. Hon'ble Minister Shri E Ahamed invited His Holiness to visit India. The meeting took place in the ancient part of the Damascus, popularly known as Old Damascus when the Patriarchate is located.



UZBEKISTAN

420. Speech of President Dr. A.P.J. Abdul Kalam at the banquet in Honour of the President of the Republic of Uzbekistan, Islam Karimov.

New Delhi, April 5, 2005.

Your Excellency Mr. Islam Karimov,
President of the Republic of Uzbekistan,
Madam Tatyana Karimova,
Excellencies,

Ladies and Gentlemen,

It gives me great pleasure to welcome you, Mr. President, Madam Karimova and the members of your distinguished delegation to India. I would also like to welcome you as the representative of a great civilization with which India has had close contacts from the earliest times. The Silk Route remains to date a unique channel of connectivity because it transported not just goods and commodities but also ideas, cultures and friendships across countries and continents. Uzbekistan lay at the hub of this thriving network. It is therefore not surprising that people in India still remember with fondness your great cities of Samarkand, Bukhara, Khiva and Tashkent. The history of our countries has become richer by the contributions of famous names like Imam Bukhari, Imam Tarmizi, Al-beruni, Mirza Ulugh Beg and the great Sufi Saint Bahauddin Nakshbandi.

India has always been known for its gift of intellectual activity, free debate and liberal thought. With such a heritage, it is only natural that both our countries should share a secular outlook. Both our countries are engaged in national reconstruction and in the promotion of peace and prosperity of the region. Our countries have also been engaged in recent years in carefully building up an all-round bilateral relationship. The agreements signed today at the governmental and business level testify to the results of that joint effort.

I am pleased that these agreements range from the promotion of tourism to cooperation in cultural, education, science and technology and defence fields. I am also glad that a special effort is being made by

Uzbekistan to promote bilateral trade in raw materials, minerals and finished products by setting up a trading house in New Delhi. Uzbekistan has over the last two years been a special part of India's 'Focus CIS' programme. A number of special trade promotion events have already been organized by Indian companies in Uzbekistan. It is partly as a result of these efforts that our trade has grown steadily over the last three years.

Even as we make efforts to build liberal, modern and economically developed societies, we have to constantly consider and meet the challenges that confront us. India and Uzbekistan are jointly working together in a variety of areas. Our cooperation in the field of science and technology has broadened in recent years. Just last week we have taken the first steps in Tashkent to set up through India's Cooperation Programme an Indo-Uzbek Centre for Information Technology. This centre is expected to become operational in 2006 when it will start providing IT skills of a high order to professionals.

There are many areas of cooperation, which have immense potential but which have remained untapped so far. We could cooperate in the areas of textile-finished products and mineral extraction by adding value to the large amounts of cotton and minerals, which are being produced in your country. India has long experience in the development of small-scale industries and we would like to share that experience with your country. The field of agriculture and food processing which is especially applicable to smaller land holdings is another such area having enormous potential. I am sure that experts from both sides could work together and many such areas would emerge that can be focused upon for our cooperation.

Mr. President, we are equally interested in putting to mutual benefit our advantages in other areas. I have no doubt that if invited; Indian public and private sector companies would consider investments in the oil, gas and mineral exploration sectors in Uzbekistan. Equally, a large potential exists for people of both countries in the sectors of culture and tourism. In recent years, we have laid the foundation of a meaningful and comprehensive relationship. At a political level, it is the desire of both the countries to provide support and practical content to this foundation. I have no doubt that this will generate a momentum to further accelerate the pace of building our bilateral relationship.

Excellency, your great philosopher and poet Alisher Navoi had said;

"Knowledge and wisdom adorn a person."

I am confident that the efforts of Uzbekistan and India would similarly adorn our region and the world with peace, prosperity and stability.

Distinguished guests, may I now request you to join me in a toast to the:-

- health and well-being of His Excellency President Karimov and Madam Tatyana Karimova;
- progress and prosperity of the people of Uzbekistan; and-
- abiding friendship between our two peoples.



421. Joint Statement issued on the visit of the President of the Republic of Uzbekistan.

New Delhi, April 5, 2005.

At the invitation of the President of the Republic of India, H E Dr. A P J Abdul Kalam, the President of the Republic of Uzbekistan, H E Mr. Islam Abduganievich Karimov, paid a State visit to the Republic of India from 4-6 April 2005.

During the visit, the President of the Republic of Uzbekistan, H.E. Mr. Islam A. Karimov met with President Dr. A P J Abdul Kalam. He also held meetings with Vice President Shri Bhairon Singh Shekhawat, Prime Minister Dr. Manmohan Singh, and Shri Pranab Mukherjee, Minister of Defence; Shri K. Natwar Singh, Minister of External Affairs and Shri Kamal Nath, Minister of Commerce & Industry.

The visit of the President of the Republic of Uzbekistan to the Republic of India provided a continuation to the practice of regular exchange of high level visits between Uzbekistan and India, and is symbolic of the longstanding historical ties and deep cultural affinity that exists between the two countries. The talks were held in an atmosphere of warmth, friendship, trust and mutual confidence that is characteristic of the relationship.

Both Sides note with satisfaction the development of bilateral relations which serves their long term national interests, strengthens bilateral cooperation, and contributes to international peace and security. The Sides confirm their intention to further develop their bilateral relations on the principles of the UN Charter, respect for each other's sovereignty, territorial integrity and non-interference in internal affairs.

The Sides note that the existing level of consultations between them promotes bilateral relations. The Republic of Uzbekistan and the Republic of India wish to continue this intensive interaction to strengthen friendship between the peoples of the two States for mutual benefit. The Sides noted with satisfaction the signing of the following bilateral agreements during the visit:

- (i) Agreement on cooperation in Military and Military-Technical areas between the Ministry of Defence of the Republic of Uzbekistan and the Ministry of Defence of the Republic of India.
- (ii) Exchange Programme between the Government of the Republic of Uzbekistan and Government of the Republic of India on cooperation in the field of Education.
- (iii) Programme of Cooperation between the Ministry of Culture of the Government of Republic of India and the Ministry of Culture and Sports of the Government of Republic of Uzbekistan for the period 2005-2007.
- (iv) Agreement between the Government of Republic of India and the Government of Republic of Uzbekistan on Cooperation in the sphere of Support of Small and Private Entrepreneurship.

The Republic of Uzbekistan and the Republic of India are convinced that development of trade and tourism between India and Uzbekistan will promote people-to-people contacts that have historically existed between the two Sides, and strengthen cooperation and goodwill between the peoples of the two States. In this connection, the Sides noted the signing between the concerned organizations of the two countries of the following documents:

- (i) Agreement on cooperation between the Federation of Indian Chambers of Commerce and Industry and the Chamber of Commerce and Industry of Uzbekistan.

- (ii) Agreement on cooperation between the Federation of Indian Export Organisations and the Chamber of Commerce and Industry of Uzbekistan.
- (iii) Memorandum of Understanding between the State Trading Corporation of India Ltd. and the Agency for Foreign Economic Relations of the Republic of Uzbekistan.
- (iv) Protocol of Understanding between Ghalib Institute (India) and Tashkent State Institute of Oriental Studies (Uzbekistan).
- (v) Memorandum of Understanding between Jawaharlal Nehru University, New Delhi and the University of World Economy and Diplomacy, Tashkent.
- (vi) Protocol of Intention for cooperation in Tourism between National Company of Uzbekistan "Uzbektourism" and the Tourism Development Corporation of India.
- (vii) Memorandum of Understanding on business cooperation between the National Bank for Foreign Economic Activities of Uzbekistan and Export-Import Bank of India.
- (viii) Memorandum of Understanding on cooperation between the National Bank for Foreign Economic Activities of Uzbekistan and the State Bank of India.

The Sides will encourage further contacts between their businessmen and entrepreneurs and facilitate their visits to each other's country.

The Sides recognize the need to enhance trade, economic and investment cooperation and linkages in the banking and finance sector. They expressed satisfaction at the results of the Fifth Session of the Intergovernmental Commission on Trade, Economic, Scientific and Technological Cooperation, held in Tashkent in January 2005. Sides note the potential for cooperation in the sphere of small business and entrepreneurship, light industry, oil and gas, aviation, tourism, pharmaceuticals and information technology etc.

The Sides also welcomed the setting up of a joint Uzbek-Indian trading house in India to facilitate and promote bilateral trade.

The Sides noted the potential of Information Technology in improving the lives of people. The Republic of Uzbekistan noted with satisfaction the completion of the computerization project of post offices in Tashkent carried out through India's aid programme. It also welcomed the commencement of work in March 2005 for the cooperation project in Tashkent to set up an Indo-Uzbek Centre for Information Technology.

The Sides noted with satisfaction the importance of the growing opportunities for technical training and higher education in India provided to Uzbek nationals under the Indian Technical and Economic Cooperation Programme and other Indian scholarships. They agreed to intensify linkages between educational institutions in the two countries.

Noting the rich historical and cultural heritage of the two countries, the Sides emphasize the need to intensify further cultural cooperation which contributes to strengthening the bonds between their peoples.

The Sides underline their resolve to fight terrorism on a long term and sustained basis and affirm that international terrorism in all its forms and manifestations constitutes one of the most serious threats to international peace and security, and condemn in the strongest terms all acts of terrorism. The Sides emphasize the need for an early conclusion of the Comprehensive Convention on International Terrorism.

The Sides intend to continue consultations between Ministries of Foreign Affairs of both the States, and coordinate their efforts through the Joint Working Group on Combating International Terrorism.

The Sides expressed their support to the efforts of the Government of Afghanistan to build a strong, united, prosperous and independent country. The geographical location and traditional links with Afghanistan of the Republic of Uzbekistan and the Republic of India together with their economic and technical potential, provide possibilities for cooperation in the reconstruction process in Afghanistan. The Sides underlined the importance of early realization of the international trans-Afghanistan transport corridor. Realization of this project will significantly decrease the distance and associated costs for transportation of goods between the Republic of Uzbekistan and the Republic of India, and will also provide an opportunity to Afghanistan to integrate into the regional system of transport and communications. It was noted that the Zaranj – Delaram road stretch, being

built by India in Afghanistan, will constitute a key segment of the route linking Uzbekistan to the Chahbahar Port in Iran.

The Sides stressed the urgent need for reforms of the structure and functioning of the United Nations Organisation so as to enhance its efficacy in dealing with the contemporary challenges and making it more reflective of the current geo-political and economic realities. Uzbekistan supports intention of India to become a permanent member of the expanded UN Security Council.

The Sides noted with satisfaction that the consultations during the visit constituted an important event in the steady development of mutually beneficial Indo-Uzbek cooperation.

The President of the Republic of Uzbekistan H.E. Mr. Islam Karimov invited the President of the Republic of India, H.E. Dr. A.P.J. Abdul Kalam to pay a State Visit to the Republic of Uzbekistan. The President of the Republic of Uzbekistan also invited H.E. Dr. Manmohan Singh, the Prime Minister of India to visit Uzbekistan. The invitations were accepted with pleasure. The dates of the visits will be established through diplomatic channels.¹



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1. The official Spokesperson of the MEA on the same day briefing journalists on the visit stressed on some of the basic points which were common to the delegation level talks as well as during the meetings the visiting President had with the Indian leaders. These, he said were:
Firstly, there was common concern regarding terrorism. There was an understanding that there needs to be collective action against terrorism. For that international conventions like the one India has proposed, a Comprehensive Convention on Counter-Terrorism, needs to be supported.
On trade, there was agreement and a clear desire to promote trade between the two countries, particularly in cotton. Uzbekistan, ... is the second largest producer in the world of cotton after United States. Similarly for trade in copper, tinplates and gold. To underline the seriousness behind this proposal, Uzbekistan is going to be opening a trading house in India.
There was a recognition of India's long-term energy needs in that, particularly, there was an offer for ONGC and GAIL to explore possibilities of cooperation and working in Uzbekistan in gas as well as on downstream projects for regional distribution of the gas as well as of the petroleum products.
On the UN Security Council there was a clear expression of support for India's candidature as permanent member of the UN Security Council. Also to highlight the importance that is attached to the visit by both countries, the President of Uzbekistan was accompanied by four Deputy Prime Ministers and he signed twelve agreements as well on the sidelines. Also

422. Agreement between Ministry of Defence of the Republic of India and Ministry of Defence of the Republic of Uzbekistan on Cooperation in Military and Military-Technical Areas.

New Delhi, April 5, 2005.

Ministry of Defence of the Republic of India and Ministry of Defence of the Republic of Uzbekistan, hereinafter referred to as "Parties",

Guided by the provisions of the Treaty on intergovernmental relations between the Republic of India and the Republic of Uzbekistan dated May 24, 2003,

Expressing interest in development of bilateral military and military-technical cooperation based on mutual respect, trust and non-intervention in the internal affairs of each other,

this was a stand-alone visit only to India. This gives the common threads of the discussions. In addition I can tell you that Government of India proposes to set up an I.T Institute of Excellence in Tashkent. Bilateral trade figure that I have for 2004-05 is 150 million US dollars.

Question : Did Afghanistan come up in the discussions?

Official Spokesperson : Yes, it did. There is a paragraph in the Joint Statement. There was an exchange of views. Both sides expressed their support to the efforts of Government of Afghanistan to build a strong, united, prosperous and independent country. As you know, the geographical links are naturally of great importance for both countries. Also, there is a distinct potential for cooperation in the reconstruction process of Afghanistan. So, yes, it did come up.

Question : On this energy discussion that you have mentioned, is it that ONGC and GAIL have been asked to take up exploration in Uzbekistan?

Official Spokesperson : The offer is open.

Question : Or do they have to bid for it?

Official Spokesperson : Naturally they have to go through the process. The idea is that both for exploration of the gas fields as well as for repair and refurbishing of the downstream industrial projects and for producing petroleum products the offer is open. Naturally they have to go through the process and get their equity participation if they want.

On April 1, the Official Spokesperson giving background to the visit had said that the two way trade between India and Uzbekistan during 2004 was \$ 150 million. India's main exports to Uzbekistan include pharmaceuticals, tea, surgical items, plant and machinery, while imports from Uzbekistan cover cotton, raw wool, non-ferrous metals and machinery items. He added that "India's Technical and Economic Cooperation (ITEC) Programme and other cultural exchange programmes provide about 130 scholarships to Uzbek professionals and students every year. This is the highest number India provides to any country in Central Asia. India is also setting up under its cooperation programme, an Information Technology Institute for Advanced Learning in Tashkent. The work on the institute was started in March 2005. This institute is due to be commissioned by the end of 2005."

Have agreed upon the following:

Article 1
Fundamental principles of cooperation

This Agreement defines the fundamental provisions of cooperation and interaction between the Parties on the basis of principles of equality, partnership and mutual benefit.

Cooperation in the framework of this Agreement will be undertaken between the Parties within the framework of their competence, in compliance with national legislation, generally recognized principles and norms of international law, as well as international obligations of the Parties.

Article 2
Definitions

For the purposes of this Agreement the following terms mean:

- (a) "Sending Party"- the Party which sends its representative to the territory of the other Party for participation in actions within the framework of this Agreement.
- (b) "Receiving Party"- the Party which receives in its territory representatives of the Sending Party.
- (c) "Secret information" - information, which regardless of the form of its expression, requires protection from unauthorized access and disclosure in accordance with the requirements of national legislation of the States of Parties, including at the stage of their development.

Article 3
Areas of cooperation

1. The Parties will cooperate in the following areas:

Exchange of expertise in the areas of military and defence related matters;

Military-technical cooperation, including equipping the military units of Armed Forces of the Parties with state-of-art weapons and military equipment, development, production, repair and modernization of equipment and armament;

Military education and training of military personnel in various disciplines, including use of computer and other technical equipment in the education of military personnel;

Cooperation in the sphere of introduction of modern computer systems and information technologies into the Armed Forces of the Parties;

Rendering assistance in strengthening the material-technical base of troops;

Cooperation in cultural and sports activities.

2. The Parties may cooperate in other areas not included in clause 1 of this article, by mutual agreement.
3. Some areas of cooperation may be considered in detail in additional Protocols and incorporated in this Agreement after endorsement by the authorized representatives of the Parties.

Article 4 **Forms of cooperation**

The cooperation between the Parties will be executed in following forms:

- (a) official visits and working meetings;
- (b) consultations, conferences and seminars;
- (c) education, practical instructions and training at higher military education institutions and scientific-research centers;
- (d) exchange of lecturers and instructors on various specializations;
- (e) participation of observers in military training exercises;
- (f) visits to military divisions and organizations in order to exchange expertise;
- (g) organizing joint training sessions;
- (h) assistance in placing orders, and development, production, repair and modernization of military equipment and armament for the needs of Armed Forces of the Parties;

- (i) cultural and sport activities;
- (j) other forms of cooperation by mutual agreement of the Parties;

Cooperation stated in clause (h) of this Article will be undertaken on the basis of additional Protocols between the Parties.

Article 5 **Annual Cooperation Plans**

1. The Parties will develop and jointly approve annual cooperation plans, which will become the basis for cooperation in a given year.
2. An annual cooperation plan will define specific events, dates and places of their execution, number of participants, as well as responsible bodies of the Parties.
3. Changes and addenda to the agreed annual plan may be implemented upon mutual consent of the Parties.

Article 6 **Financial terms**

1. Exchange of delegations according to annual cooperation plan will be undertaken on the basis of mutuality and in accordance with the following financial principles:
 - (a) The Sending Party will cover the following expenses for the members of its delegation:
 - International transportation up to an agreed point of destination on the territory of the Receiving Party and back;
 - Daily allowance for the duration of the visit;
 - Preparation of documents requested by the authorities of the Receiving Party for entrance and exit from the territory of the receiving country;
 - (b) The Receiving Party will cover the following expenses of members of delegations from the Sending Party :

Transportation within the territory of the Receiving Party;

Lodging and boarding in accordance with accepted standards.

2. Provision of emergency medical aid in emergency cases will be provided by the Receiving Party free of charge.
3. Other expenses, not stated in this Article, will be reviewed individually in accordance with the provisions of additional Protocols.

Article 7 Settlement of disputes

Any disputes and disagreement between the Parties on implementation or interpretation of this Agreement will be settled by the authorized representatives of Parties by means of negotiations and consultations and they will not be submitted for consideration to any international forum or third party.

Article 8 Relations with other international treaties

This Agreement does not affect the rights and obligations of the Parties, ensuing from other international treaties, to which the Parties are signatories.

Article 9 Implementing amendments and additions

Amendments and additions to this Agreement may be implemented upon mutual consent of the Parties and will be legalized in the form of separate Protocols as integral parts of this Agreement.

Article 10 Coming into effect and validity period

This Agreement comes into effect from the day of its signing and shall continue to remain in force unless it is terminated by either Party by giving six months notice in writing to the other Party.

Approved in New Delhi on April 5, 2005 in two copies, each in English, Hindi and Uzbek languages, and all the texts are equally authentic.

For the purpose of interpretation of provisions of this Agreement, the text in English language will be used.

Ministry of Defence
Republic of India

Ministry of Defence
Republic of Uzbekistan



YEMEN

423. Briefing points by Official Spokesperson on the visit of Minister of State E. Ahamed to Yemen.

New Delhi, February 21, 2005.

- Shri E. Ahamed, Minister of State for External Affairs, paid an official visit to Yemen from 19th to 20th February 2005. He called on Yemen's President H.E. Mr. Ali Abdullah Saleh, Prime Minister H.E. Dr. Abdul Kader Ba-Jammal and Foreign Minister Dr. Abu Baker Al-Qirbi.
- While warmly receiving Shri Ahamed, the Yemeni President said that the visit of MOS would further strengthen the existing good relations. He appreciated India's positive role in the world affairs and hoped that either President or Prime Minister of India would be able to visit Yemen soon. An invitation will be sent in due course of time. The Prime Minister said that both countries have historical contacts which should be exploited to improve upon all aspects of bilateral relations, and added that he was waiting for an appropriate time to visit India and now he is looking forward to the visit.
- Shri Ahamed recalled the age-old ties between India and Yemen and hoped that his current visit will further deepen and diversify the existing good relations between the two countries. MOS said that India attaches great importance to this region including Yemen not only due to its cultural link but also due to the emerging economic cooperation between the two countries. He added that his current

visit coming closely on the heels of the Foreign Office Consultations between the two countries held in New Delhi in January 2005 and the 5th Economic Joint Committee Meeting held in Sana'a during the same month will give further momentum to the bilateral relations for the mutual benefit.

- During his meetings MOS reiterated India's continued support to the Palestinian cause and pointed out Government of India's commitment, as outlined in the Common Minimum Programme, to give a new thrust to India's relations with Arab countries. He also expressed the hope that the sovereignty and integrity of Iraq would be restored soon.
- On economic cooperation, both sides discussed on the ways and means to strengthen economic partnership and to exploit the existing potential. Both sides agreed to enter into Extradition Treaty and Agreement on Mutual Legal Assistance Agreement at an early date. MOS assured the Yemeni Foreign Minister of India's willingness to invest in the hydrocarbon sector through the participation of ONGC and IOC. Shri Ahamed also offered India's cooperation in building the infrastructural facilities in Yemen. The Yemeni Foreign Minister welcomed India's participation in oil and gas sectors of Yemen.
- Yemen responded positively over India's candidature for permanent seat in the UN Security Council.



INDIA'S FOREIGN RELATIONS - 2005

Section - VIII Africa

424. Media briefing on India-Africa Project Partnership Conclave.

New Delhi, March 2, 2005.

Official Spokesperson: We have here with us Mr. Navdeep Suri, Joint Secretary looking after Western and Central Africa in the Africa Division. He would like to talk to you on the extensive and important event coming up, starting tomorrow, which I think is unique in terms of the level of representation that we have from the African countries. This is the Conclave on India-Africa Project Partnership. It is beginning tomorrow. I will request Navdeep to fill you on details as well as point out to what can be expected from this Conclave.

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Mr. Navdeep Suri: Thank you Navtej. As Navtej mentioned this is really the first ever time that we are getting a number of delegations from Africa focusing specifically on one theme, which is Partnerships in Projects. The reason is we want to move beyond the simple concept of trade. Projects have a sustainability; they have an impact that is long lasting. They build capacity in the whole country and they increase our exports as well. So, this is something that has been dwelt upon in the past but in terms of concretizing the idea this really the first time that industry and governments in partnership have gone about to put together something like this.

This event is primarily organized by Confederation of Indian Industry (CII) and the EXIM Bank. Ministry of External Affairs and Ministry of Commerce are partners. From Africa, African Development Bank is a lead partner along with the EXIM Bank in this effort. As of today, we had 205 confirmed delegates. Most of them had already arrived in New Delhi. They are from 26 countries.

Remarkably, we have as many as 25 Ministers from Africa. I cannot recall any other occasion when you had 25 Ministers from different countries coming for an economic event. In fact, short of NAM it has not happened in any context in Delhi. So, it is reflective of various trends that I will come to. The other thing is the composition of the delegations; you have delegation from Democratic Republic of Congo, which is headed by their Vice President. You have a delegation from Chad, which is headed by the Deputy Prime

Minister and Foreign Minister. You have one from Niger, which is headed by their Foreign Minister. And so on. From Kenya there is Minister of Planning, from Guinea Bissau there is Minister of Industry. There are Ministers of Commerce, Ministers of Finance.

In addition to the Ministers who are heading these delegations, you also have a very impressive representation of the heads of national chambers of commerce, several of whom are CII's partners. You have large groups of individual businessmen. The Nigerian delegation for example is 31 strong, which given the fact that Nigeria is the largest and most populous country in Africa and potential economic powerhouse, shows the level of interest.

As part of the conscious run up to this event, an effort was made to reach out to the financial institutions which provide the capital for the partnerships for the projects, So, we have PTA Bank which is a big regional bank in East Africa. The President of the PTA Bank is here. The President of the ECOWAS Bank for investment and development is here as well. Regional organizations like SADAC or NEPAD are also represented at senior levels. Altogether, it really is pretty impressive gathering. I have just come back from the welcome lunch that CII did and the level of enthusiasm and interest was infectious.

From the Indian side, some 350 businessmen have registered to meet with these African delegations. So, together you have got about 550 registered delegates, which represents the level of interest that I think is unprecedented. It is worth looking at what is driving this interest.

I will just touch upon three or four major elements. The first is that if we take away the stereotype notions about Africa and a kind of 'one size fits all' approach - Africa is changing and in many ways for the better. There is a broad trend towards democratization. You can see countries that used to be under military rule embrace stable democratic forms of government. You see end of many longstanding civil wars or ethnic conflicts. Take the case of Angola or Mozambique or Sierra Leone or Liberia - these are countries that went through major conflicts and are today relatively peaceful, secure and stable. That certainly does wonders to the business environment in those countries.

Taken together with the kind of natural resources that Africa has, and that has always been a bane and a boon for Africa, because this attracted

all the colonial powers as well, what you are seeing and if I draw your attention to a piece in The Economist about a month and a half back, of the twelve fastest emerging market economies in the world, six are in Africa and surprisingly five of them are in western Africa.

When you look at the countries it drives home that the importance of taking a closer look at countries like Angola, Chad, DRC or Sudan, which are just in double digit growth rates - admittedly on a relatively low baseline. But a double-digit growth rate, which most people think is sustainable is something worth looking at for our businesses and for us as well. The final point I think in terms of what has ignited the interest is our conscious endeavor to engage more actively in Africa.

From the Ministry of Commerce they have this Focus Africa initiative which specifically attempts to encourage projects and create market access in specific countries. From the Ministry of Finance, they are putting together an India Development Initiative where there will be possibilities of providing support for feasibility and pre-feasibility reports on specific projects. From us in External Affairs we are making a deliberate effort into providing the funding mechanisms in terms of Lines of Credit, which provides an encouragement for our businesses to go into Africa. If, as we certainly hope, this Conclave brings together a marriage of Indian private business and businesses from Africa, then you could actually see a far higher level of engagement in the years to come. The areas of priority for Africa are Lines of Credit.

Let me just conclude with that. The event is being inaugurated tomorrow. External Affairs Minister will be the Chief Guest and will be delivering the opening address. The Vice President of Congo will be speaking as well. In the programme there is a careful effort to focus both on regional groupings as well as on specific sectors in which we have a core competence and where we believe that there is an interest from the African side and from our side. Short of Davos, to see these many people coming for an economic event is unusual. Thank you very much.

Question: Can you give us some idea as to how many projects we are working on under these partnerships and the monetary value of the same?

Mr. Navdeep Suri: Where we are right now is a preparatory stage. When we started working towards preparing for this event the initial proforma that

CII sent out required that every delegate that is coming, fill up a form that mentions his specific area of interest and the specific project of interest, so that this is not just a casual interaction but a focused one. If you look at individual countries, they are providing a lot of information to CII, who are putting it all together. I have looked at some of the elements that have come in. You have projects ranging from Guinea Bissau, which is very rich in phosphates. They are very keen that we set up a phosphoric acid plant over there as a joint venture. I may draw your attention to a similar venture between IFFCO and a Senegalese company in Senegal. They manufacture phosphoric acid and we buy almost the entire output. We buy about 170 million dollars worth of phosphoric acid a year from Senegal. It makes Senegal our second largest trading partner and the largest source of our imports. It helps define a strategic relationship as opposed to a purely commercial one. If you add up all the project ideas that have come through, they would add up to several billion dollars. It is not to say that all of those are going to fructify. There are going to be hard investment and financing decisions to be made, but certainly in terms of the level of interest and the way several of these countries see India - as a role model and a country that can provide them technology and entrepreneurship - it enables them to break away from some of the colonial ... of domination.

Question: Is oil going to be one of the main areas of focus for us?

Mr. Navdeep Suri: Oil is only one of the areas of focus. Several oil-exporting countries have sent delegations. I mentioned the Deputy Prime Minister of Chad and Foreign Minister of Niger. Also, Minister for Mines and Minerals of Niger is here. A Vice Minister from Angola and a Minister from Nigeria are also here. I would certainly go beyond oil. If it is minerals and resources that we are looking at, you see a great degree of convergence of interests. Mali and Chad have, for example, very high quality of cotton. Mali has one of the best long staple cotton. They are very keen that we come and set up ginning facilities. We hope to take advantage of the post quota regime to expand our exports. This is a very natural fit in an area like that. If you look at other countries - Congo is very rich in cobalt, copper etc. There are specific areas where there are project proposals. Cement is an area of great deal of interest to several countries

Question: Can you give us some recent trade figures of India-Africa trade?

Mr. Navdeep Suri: If you look at numbers for last year, our overall exports

grew 17 percent. Our exports to Africa grew 25 percent. Our trade with Africa has consistently been faster than our overall increase in trade. If I remember the numbers then in 1991-92 total trade was about 890 million dollars. The last year for which I have reliable numbers is 2002-03 and the trade was about 6 billion dollars. As several of the larger countries in Africa - like DRC which has 60 million people and is enormously rich in resources, or Angola which again is a large country and is oil rich - gather their own growth momentum it does create mutually beneficial opportunities for both sides. Take the pharmaceuticals sector; Indian companies have a 50 to 60 per cent market share in at least half a dozen countries that I could name.

Question: Earlier, we had the Team-9 initiative. How does that marry with this?

Mr. Navdeep Suri: Team-9 addressed eight of the 54 countries in Africa. It was a conscious effort from our side that with countries in West Africa, countries in Francophone Africa with which we have not had a very close relationship in the past, we should go the extra mile to forge a relationship. In Team-9 we announced a 500 million dollars Line of Credit for the eight countries that were part of the Team-9 with India. We have now done the groundwork to encourage the countries to come with specific projects. For example, Chad - a large and oil exporting country - is a country with which we have not had a very high degree of engagement in the past. It is here with the Deputy Prime Minister, who is here with a very professionally prepared list of projects in cement, cotton, power generation and transmission etc which give us an opportunity to do something tangible with the Team-9 Line of Credit. It is the first visit ever in a bilateral context by a Foreign Minister or Deputy Prime Minister from Chad.

Question: How much of that Line of Credit has been used so far?

Mr. Navdeep Suri: Team-9 Line of Credit has only begun to take off. We have done some initial work with Senegal and got a couple of proposals in the pipeline with Ghana. We have proposals from Burkina Faso and Mali but I think it is this event which will give a real momentum to the utilization of the Team-9 Line of Credit.

Question: Any investments / MOUs we are planning with West Africa?

Mr. Navdeep Suri: Not during this Conclave. Energy related discussions typically have a long gestation period. We are actively engaged in

discussions with at least half-a-dozen countries but that is on a different level.

Question: Does it also include other social sectors like HIV/AIDS etc?

Mr. Navdeep Suri: There is a great deal of recognition, even admiration, of India's capabilities in developing low cost HIV anti-retrovirals. They look forward to India as a potential source for the medicines that India has and which are WHO approved. There is substantial WHO and World Bank funding coming into Africa to fight AIDS. One of the opportunities that this event creates is to put African Ministers in touch with Indian pharmaceuticals companies. If you look at the programme, there is a specific sector on health care and pharmaceuticals, which is aimed at looking at what are the possibilities, both in terms of joint ventures or co-production or exports in pharmaceuticals. I may also add that we have received requests in training and in education. We are looking at a range of different proposals where we have requests to depute teachers from India in Maths, Science, Engineering to African universities. We have organizations which specialize in this kind of area. They have done work in terms of developing curriculum, textbooks and deputing Indian teachers to various developing countries. It is an area of our strength and this is certainly an area which we are looking at.

Question: Is defence cooperation an area we are looking at?

Mr. Navdeep Suri: Defence is always an interesting and important area. We have had fairly close relationship in terms of enabling several countries in Africa to set up their training establishments. We have had a number of countries from Africa which have sent their own officers to our defence establishments. President Obasanjo being one who fondly recalls the days he spent in Wellington (India). But defence is not the focus of this Conclave. This is really much more on specific projects, which primarily will be executed by the Indian private sector.

Question: ...inaudible...

Mr. Navdeep Suri: I do not think that it will be fair to look at the question in terms of India and Africa, with Africa as one country. It really is determined by the situation in an individual country rather than Africa as whole.



425. Address by External Affairs Minister K. Natwar Singh at the inauguration of the first Conclave on Africa-India Project Partnership 2005.

New Delhi, March 3, 2005.

Hon'ble Vice-President of the Democratic Republic of Congo,
Hon'ble Deputy Prime Minister of Chad,
Hon'ble Ministers,
Distinguished Captains of Indian Industry,

Ladies and Gentlemen,

Let me say, first of all, how glad I am to see so many distinguished delegates from Africa in our capital. The Confederation of Indian Industry (CII), EXIM Bank and the African Development Bank deserve our congratulations for assembling so many eminent leaders from government, industry and financial institutions. I am confident that this Conclave will go a long way in giving concrete shape to our shared desire for a vibrant and mutually beneficial partnership.

My own tryst with Africa began over four decades ago, in 1962 when I was working with the UN Committee on Decolonization. It was my first personal experience of that very special warmth that Africa exudes, that envelops newcomers and old-timers alike. My subsequent tenure as High Commissioner in Zambia and Botswana only reinforced these early impressions, as did the opportunity to establish a personal friendship with leaders like Dr. Kenneth Kaunda.

That was the time when Africa was being gradually unshackled from the bonds of colonial servitude, a giant awakening to take its rightful place in the world. It was a time when India stood shoulder to shoulder with its African brothers and sisters, making the fight against apartheid and colonialism its very own struggle for the inalienable right to live with dignity and in freedom. We were also close partners in the nonaligned movement and fought together to zealously safeguard our freedom in the conduct of our foreign and domestic policies. We identified fully with Nelson Mandela's struggle for a democratic and just South Africa and were among the first to welcome him on his release after 27 years in an apartheid jail. In fact Mandela has said that he was helped while preparing for his release by the biography of Pandit Nehru who wrote of what happens when you leave jail.

Our struggle continues. A different struggle, no doubt, but the core, once again, remains the welfare of our people. We have achieved political freedom but without sufficient economic progress that eliminates hunger, disease and illiteracy. Hence, the hopes and aspirations of our people remain unfulfilled. To recall the words of Pandit Nehru, and I quote:

“We, again, need to stand together and launch a decisive assault against poverty that continues to grip our people both in Asia and Africa. We, again, need to stand side by side to fight diseases that continue to afflict our people. We, today, more than at any other time, need to stand together as formerly-colonised people to chart and determine our own destiny.”

In the past, critics have often blamed Africa for its woes, ignoring the debilitating legacy of colonial rule and complaining that Africa does not do enough to help itself. For the captains of Indian industry assembled here, I want to point towards two recent developments that could be of fundamental importance for Africa's future. First, with the coming into being of the African Union, the African countries have embarked on the course for a stronger integration of their great continent. The African Union is already playing a key role in ensuring that the path to the future is created by the Africans themselves. Its recent interventions in Darfur and Togo have won it numerous admirers in the international community, and in India as well. We would like to interact with the African Union at all levels and create opportunities for our leaders to meet at the Summit level. We are keen to translate our shared history and our strong political, cultural and economic linkages into an institutionalized structure of interaction. This will need sustained, special attention being paid to this vast continent.

The other development that gives rise to considerable optimism is the New Partnership for Africa's Development or NEPAD. It has been crafted by reform-oriented African leaders who have a vision for Africa. The prospects offered by this partnership and the vast potential for sustainable progress create an important space for countries like India to share and be part of this new dynamism. We are deeply committed to the NEPAD process and strongly support efforts that enable Africa to take its political and social destiny in its own hands and ensure African ownership of Africa's resources.

India looks forward to participating in this process. Our technical and economic cooperation programme – ITEC - is almost four decades old,

and if an accountant were to put a rough monetary value to the wide range of training and other facilities that we have shared with our friends from Africa, I am sure he would estimate it at well above a billion dollars. But more important than these numbers is the special relevance of India's development experience for Africa's requirements. There is no precedent in history of a billion people striving together to improve their living conditions within the framework of democracy. There is no political pharmacopoeia that you can look up to find how to make a democracy of one billion works. So, over the last five decades, through an incremental process of trial and error, of making mistakes and learning from them, we, in India, have forged a development paradigm that - within the context of a diverse, pluralistic democracy - is truly unique. And we are keen to share this experience with our friends. Our approach has been geared towards strengthening horizontal South-South linkages and towards promoting self-reliance through transfer of technologies appropriate to the needs of our partners. We see South-South Cooperation as the embodiment of a new spirit, of an alternate, cooperative approach to the challenges of economic development.

We are also acutely aware that the process of economic development requires capital. You are aware, Ladies & Gentlemen, that in term of per capita income, we could hardly be considered a rich country. Yet, the accumulation of a relatively comfortable level of foreign currency reserves has enabled us to offer lines of credit as a useful resource to our friends in Africa. Taken together with our bilateral lines of credit to individual countries in Africa, our offers for NEPAD and TEAM-9 add up to something over a billion dollars. This is a sizeable sum of money for a non-traditional donor like India, and we sincerely hope that it can be harnessed as a catalyst to build genuine, productive and sustainable partnerships in the development of industry, agriculture and infrastructure. I hope that this Conclave provides the meeting ground, not just for technology and capital but also for creative minds and ideas so that everyone of the participants is richer for the experience.

But as Africa has so often discovered, economic progress needs a stable polity. The legacy of long-standing conflicts has left its scars on many parts of Africa. We hope that the vision and determination of many of its contemporary leaders will soon make such conflicts a thing of the past. From our side, we will continue to support peacekeeping efforts wherever required. We have done so from the time of the conflict in Biafra, and the

contribution of our troops has been widely appreciated in Ethiopia, Somalia and Sierra Leone. And even now, we have over 3,500 soldiers in the Democratic Republic of Congo and a somewhat smaller contingent in Ethiopia.

We do believe, however, that we would have been able to do much more if we had a formal voice and a role in the United Nations Security Council that were commensurate to the positive contribution that we make to the international community. In 2005, the UN Security Council should not function on the basis of the political realities of 1945. The Security Council should be reformed and expanded with the addition of new permanent members. India is a legitimate candidate for a reformed and expanded UN Security Council. We are not just the second largest country in terms of population; we are also the world's 4th largest economy in terms of purchasing power parity, and one of the largest contributors to peacekeeping operations. I must also mention here that it is essential for Africa to be suitably represented on an expanded Security Council with permanent seats. I am personally grateful that so many of our friends from Africa have already committed their support to India's candidature. A few have even told me that a reformed Security Council without India would be unthinkable! We hope that the discussions beginning later this month in New York address this long-standing anomaly. A seat for India on the Security Council will also be an additional voice for Africa to articulate its concerns on the inequities of the international order.

There is a story of one of our Gods called Hanuman who was very powerful but had to be always reminded of his own strength. This conference is a reminder to ourselves about our own strengths. That together, we can achieve the impossible. The vision of the African Union, of economic integration across the continent, must inspire all of us. And you may rest assured that on this path of yours, India will be a reliable partner. We are committed to support you with our goodwill, our expertise and whatever economic and financial resources that we can muster to help you realize your aspirations.



426. Visit of Special Envoy V.K. Grover to African Countries.**New Delhi, April 21, 2005.**

Shri V.K. Grover will be visiting Kenya, Uganda, Tanzania, Malawi and Ethiopia as a Special Envoy. Shri V.K. Grover earlier held the post of Secretary in the Ministry of External Affairs. During this visit Shri Grover would call upon senior leadership in these countries to exchange views on bilateral relations, regional and international issues including the proposed UN reforms and restructuring of the world body in its 60th year of establishment¹.



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1. There has been lately a studied thrust on Africa. Recently a 2-day conference of Indian diplomatic representatives in Africa was organized in New Delhi, which was addressed by Minister of External Affairs and Minister of State besides, the heads of mission having interaction with the secretaries of the Ministry and other senior officials. Giving an idea of the conference Official Spokesperson Navtej Sarna told the media on March 20: "A two-day Conference of Heads of Indian Mission in Africa is being organized on 21st & 22nd March, 2005 in New Delhi. This will be attended by 24 Heads of Mission from this continent and will be inaugurated by Minister of External Affairs Shri K. Natwar Singh at 10:00 A.M. on 21st March, 2005. Minister of State for Africa, Rao Inderjit Singh, will deliver the Valedictory Address on 22nd March, 2005. During this Conference there will be interactive sessions between Secretaries in the Ministry of External Affairs as well as Heads of concerned territorial divisions with the visiting Heads of Mission regarding various aspects of India's policy towards Africa. Secretaries and senior officers of other ministries such as Commerce, Home, Finance, etc. are expected to address the Heads of Mission participating in this Conference. The Ministry of External Affairs has been regularly organizing such conferences on a regional basis of its ambassadors from time to time and the above conference is being held in continuation of this policy. As is well known, India always had a close historical relationship with Africa and there have been regular trade exchanges between India and this continent since earliest of times. Coming to the recent period, India gave every support to the countries of Africa when they were engaged in their struggle against colonialism and apartheid. Building on the age-old historical and commercial ties, Indo-African relations began to expand rapidly as African countries started to secure freedom from the shackles of colonialism. Since the very beginning India has been consistently extending developmental assistance to these countries and providing them with facilities to develop their human resources under the ITEC. It may be mentioned that since the inception of this programme in early 1960s around 10,000 nationals from Africa have received training in India in a wide array of fields ranging from management and I.T. to administration, education and health. During the last few years India has been making every effort to further expand and strengthen its relationship with Africa, especially in the economic and commercial arenas. It was with this objective in view that the Ministry of Commerce had embarked on 'Focus Africa Initiative' in 2002. India has promised a credit line of 200 million US dollars to the NEPAD and of 500 million dollars to countries of West Africa under TEAM-9. A major project will be executed by India in Africa in coming months to provide fibre-optic and electronic connectivity among all its states. It is envisaged that implementation of this project will impart a further impetus to Africa in its

427. Press release issued by the President's Secretariat on the demonstration by President A. P. J. Abdul Kalam to African Envoys of the proposed Pan African Net Work.

New Delhi, June 28, 2005.

A demonstration of the proposed Pan African Network was made to envoys of 26 African nations at Rashtrapati Bhavan today, with particular reference to tele-education. Smt. Shashi Tripathi, Secretary (West), Ministry of External Affairs welcomed the Ambassadors and briefed about the PAN African Network proposal. The Pan African Network was proposed by the President, Dr. A.P.J. Abdul Kalam as part of India's "Focus Africa" programme at the Pan African Parliament on 16th September, 2004 during his state visit to South Africa.

Under this delivery system, 53 African nations are to be connected through satellite and fibre optic links. The network will primarily provide tele-education, tele-medicine, internet, video conferencing and Voice Over Internet Protocol (VOIP) services while also supporting e-governance, e-commerce, infotainment, resource mapping and meteorological service connectivity. In addition, connectivity at the level of Heads of State could be provided through internet, VOIP and video conferencing. A budget of US\$ 50 million has been provided by India for installation, initial operations and maintenance for the first three years.

The project will work through a VSAT network connecting the hub to 53 learning centers with 5 Universities, 10 super specialty hospitals in 53 remote hospitals. The project will make it possible for providing remote virtual classrooms in 53 countries where a teacher can deliver a lecture to multiple locations in real time through two-way communications, using synchronized multimedia delivery. The network would give rural connectivity to nations across the African continent.

march towards progress and prosperity. There is no doubt that Indo-African relations are today poised to enter a new and exciting era of expanding cooperation and interaction. It is felt that there are a number of fields such as IT, small-scale industries, agriculture, etc. where Indian experience and technology would prove of special benefit to Africa. India will continue to do whatever it can to foster rapid and comprehensive economic and social development of Africa. Africa occupies a special place in India's foreign policy considerations and this Conference of Heads of Indian Mission bears testimony to the importance, which India attaches to further promotion and consolidation of its relationship with Africa."

Dr. Kalam had proposed during his address to the Pan African Parliament at Johannesburg that India can work with the African countries to draw-up a comprehensive proposal and prepare a roadmap for this ambitious project.

The President today explained the concept and the model that he visualized and also gave details about the tele-education delivery systems, which he is regularly using for his interactions with Universities, colleges, schools and rural areas. Later the President interacted with the envoys who were positively inclined to the further progress of this project. The Director (Technology Interface) at Rashtrapati Bhavan, Shri V. Ponraj gave detailed demonstrations of the tele-education delivery systems through VSAT and Wi-MAX connectivity implemented at Rashtrapati Bhavan.

Senior officials of Rashtrapati Bhavan, the Ministry of External Affairs, Indian Space Research Organization, TCIL and the Indira Gandhi National Open University also participated. The meeting was coordinated by the Ministry of External Affairs.



428. Message of Prime Minister Dr. Manmohan Singh to the people of Africa conveyed to the 4th Summit of the African Union.

New Delhi, June 29, 2005.

I convey the warm greetings of the people of India to their brothers in Africa on the occasion of the 4th Summit of the African Union.

This Summit is historic as it will help chart a new path in the history of international relations. Your deliberations at this Summit, in particular, on the question of UN reforms, will decide the future of the role of developing countries in the world order. India will, as it always has, stand committed to Africa, a continent with whom we share an especially close emotional relationship.

As Africa moves firmly to take charge of its own destiny, the initiatives being taken for establishing democracy and good governance, expanding

education and health-care, building peace and security and bridging the digital divide have won you many admirers in India. From our side, India would like to offer its active partnership for your initiatives. We are not a wealthy country by conventional standards but we do have our strengths in some of the very areas that you have identified as your priorities. My government has attempted to take this convergence into account in putting together a new India - Africa Partnership Initiative aimed at further enhancing the already close and fraternal ties between us.

Excellencies, our countries missed the industrial revolution but we strongly believe that we cannot afford to miss the information revolution that we are currently witnessing. Last September, the President of India announced the setting up of a Pan-African satellite network to connect all nations of Africa to India. This network would provide instant connectivity between the leadership of all African nations. It would also create linkages for tele-education and tele-medicine, making the facilities and expertise of some of the best universities and hospitals of Africa and India available to all our peoples. The cost of this ambitious project would be met entirely through a grant from the Government of India and we plan to implement it within 18 months. We hope that it will become a milestone in our combined efforts to bridge the emerging digital divide and harness the power of satellite and information technology to address the pressing needs of education and healthcare.

As part of our common fight against poverty and disease, we have identified the health sector as being one of our topmost priorities. I am happy to inform that India has earmarked a sum of US\$ 1.5 billion in the form of lines of credit to be used to help Africa fight the battle against HIV/AIDS and other pandemics. We would encourage our pharmaceutical companies to establish production facilities in Africa to cater to the increasing requirement of affordable medicines and to participate in upgrading the delivery systems in this vital sector.

Since the inception in 1963, India's Technical Cooperation Programme has been at the core of our development programmes in Africa. We continue to train over a thousand officials annually under this programme and have spent well over a billion dollars in a wide range of capacity-building projects, we plan to substantially expand this programme over the next three years and look forward to working closely with our friends in Africa to tailor training programmes specifically for their requirements.

Excellencies, India considers the economic emancipation of Africa as the cornerstone of our policy on external relations. A self-reliant, prosperous, economically vibrant Africa integrated with the world economy is our vision. To give a boost to the growing bilateral trade and investment between us, India has allocated more than a billion US dollars as lines of credit for African countries on exceptionally soft terms. In several countries in Africa, access to these funds is beginning to have a visible impact in key sectors like road and rail transport, rural electrification, agriculture and even in information technology. We expect this key aspect of our relationship to grow significantly in the years to come.

India's commitment to Africa did not start when we stood shoulder to shoulder with our African brothers in the fight against apartheid and colonization. Nor will this commitment end with shared economic progress and development. We have charted a common destiny, we share a common vision and in the future, we shall march together in unison for the continuing benefit of the peoples of our nations.

In this context, the nations of Africa and India both have a stake in the efficient and effective functioning of the United Nations. In order to achieve greater democratization of the world body, the General Assembly needs to be revitalized. The ECOSOC needs to be strengthened and the Secretariat needs to be restructured. The Security Council must be expanded in both the permanent and non-permanent categories to include the developing countries from Asia, Africa and Latin America. The present opportunity for changing the correlation of forces in the Security Council is unique and perhaps unparalleled. It is in the collective interest of the developing countries, particularly Africa, that we fully seize the moment and not lose out this opportunity.

I wish the 4th Summit of the African Union all success in its deliberations.

(Manmohan Singh)



429. Press Briefing by Secretary (West) Mrs. Shashi U. Tripathi and Dr. Bernard Zoba, Commissioner for Infrastructure and Energy, African Union on the signing of MOU on Pan-African E-Network Project

New Delhi, October 27, 2005.

Mrs. Shashi U. Tripathi: I will first of all request Dr. Bernard Zoba, Commissioner for Infrastructure and Energy in the African Union Commission to please make a statement on the signing of the Memorandum of Understanding today between the Government of India and the African Union on our Pan-African E-Network Project.

Dr. Bernard Zoba: Thank you very much. First of all, on behalf of Excellency President of the African Union President, I would like to thank India and the President of India for this very wonderful project that has got under way. We have signed two important, epoch-making documents. The first one is basically for telecommunications. For us it is a historic document because it actually goes to prove and to bring to fruition our main objective of the integration of the African continent. By this document which we have signed on telecommunication, the whole of Africa will be now available for communication. This will bring together all these countries. And, therefore, we feel that something which was lacking before has now been got away with for instant communication between these countries. A lot of work, of course, remains to be done. But we will do all that work. The African Union is prepared to undertake all that work to accelerate the process of bringing all these countries together within a telecommunication network and we will take all the appropriate steps so that this shall be done in a record time. This is what I wanted to say, Madam.

Mrs. Shashi U. Tripathi: Thank you very much. Dr. Zoba has said everything that I may have wished to say. I only wish to add that, as you know, this project was taken up at the initiative of our President. It was conceived by him; it was announced by him; and it has been totally under his guidance. The project has been monitored very carefully by the Prime Minister's office. So, you can make out how much attention has been paid to this project. This is being done in the spirit of South-South cooperation and in the spirit of the long-standing friendship and the relationship that we have with Africa.

As you know, our relations with Africa go way back centuries.

Through times immemorial this relationship has taken different overtones - sometimes cultural, sometimes people-to-people, emotional, trade, political. Today we are in the technical age and it was thought that now the time has come for India to share its technical expertise with our partners in Africa. So, the motivation behind this project is to help Africa bridge the digital divide and to share the expertise that India has developed in this field.

We have a message from the President that explains the framework of the project and what it envisages. We also have a press release issued by the Prime Minister's office. Between the two of them you can make out the ramifications, the ambience of the project.

The details are there in the MoU which we have signed. We have now to form Steering Committees from both sides which will decide on the next steps that have to be taken. As you perhaps know, on our side the Telecommunication Consultants India (TCIL) have been earmarked as the implementers of this project. We have been given a certain deadline and we hope that within that deadline this project will go ahead to the benefit of the people of Africa. Thank you.

Question: What is the deadline for the project and what are the cost implications?

Mrs. Shashi U. Tripathi: Our President in his message has said that it should be in place by early 2007. That is the deadline we are going to follow. This is a tight deadline that we have and we have every intention of working within that deadline. We are almost ready with the pilot project which will be in Ethiopia. We discussed that today in our morning meeting. We have also tentatively discussed the next steps. So, India and the African Union are very very keen to see this through as soon as possible.

The initial cost which was worked out was about USD 50 million. You know that if any developed country had done this the cost would be perhaps ten times more. This cost was based on the assumption that we would set it up, implement it and train the manpower to take over the project after three years. However, the African Union and the African countries requested India to maintain the project for five years because they said that in five years they would be ready to take it over. So, then the cost naturally increases. So, the cost has now gone up to 63.7 million.

Question: Will India be also training the experts?

Mrs. Shashi U. Tripathi: Yes, India will be training the experts. The human technical capacity development will be India's responsibility.

Question: The MOU is indeed visionary and historic, but how will it transform the lives of common people of Africa?

Mrs. Shashi U. Tripathi: You are absolutely right. It is historic. It should transform the lives in the sense that when we talk of telemedicine for instance, you (may) have a premier facility in the capital of an African country which (will be) linked to a remote medical centre, like we have in India. It is not possible for people from rural areas in Africa especially to come for consultations. Now they (will be) able to get consultations, diagnosis from these speciality hospitals.

Also, there is a provision in this overall project for speciality hospitals like the AIIMS to be on call with some of the premier hospitals, three or four, in Africa. That consultancy will be available also. We are putting up one such project in every country. Naturally, it will be expected that that country would branch out and the network will then farm out into the rest of the country.

Take tele-education, like we have the Open University. The Indira Gandhi National Open University is a member of this project just as AIIMS is. They are going to help with distance education in every country as part of this project. So, naturally that will help to disseminate literacy quotient in that country.

Question: This project was announced by our President in September 2004, and the MOU is being today after 13 months. Why this delay? Is it also like any other project?

Mrs. Shashi U. Tripathi: No, no. There I have to, with due respect, say that this project has been done in record time. You should just think of the entire framework of this project. It involves 53 countries. The initial proposal was made at the Pan-African Parliament by our President. Then we waited for a response to come from the other side. I make a proposal to you that I can do this for you. But you have to also say that this is acceptable to me and this is good for me, I would like you to do it for me. Of course, the African countries showed a great deal of interest but this had to be disseminated to all of them.

They are really enthusiastic but it takes time for 53 countries to come to this decision that they want this project. Finally, we had to decide are we going to discuss this individually with each country – 53 countries? That is a mammoth task! Or, are we going to discuss with one umbrella organization. Then the suggestion was that we should discuss with the umbrella organization, the political organization called the African Union. And serious discussions with the African Union began in May this year. That was the first time that we made a presentation to the African Union in Addis Ababa in May this year. Now, you tell me, has it been done in record time or not?

Question: So, was the ball in their court?

Mrs. Shashi U. Tripathi: It is not that. Once they showed interest, the project report had to be made. Initially it was an idea. An idea whose time had come. But you had to flesh out the idea. Okay? What does the idea involve? What are the details of that idea? How will it work? You have to give them a concrete proposal. The President had very concrete proposals. And that is where the President's Secretariat, the ISRO and the TCIL came in. I have to congratulate them. The President gave them the task to prepare a project report and the entire project proposal has been submitted within four months. Again they were given a very tight schedule by the President. Within four months between them they prepared that report which was taken by us to Addis Ababa and presented as a Powerpoint presentation to the African Union. All this happened in record time. Now we hope that we are also able to keep up this momentum and implement this project by the deadline that we have been given which is 2007.

Now I would request the Dean of the African Diplomatic Corps to please say a few words.

Dean of the African Diplomatic Corps (Ambassador of Sudan to India): Thank you very much for giving me this opportunity. Indeed today is a historic day for India-Africa relations. On this historic day, we as Heads of African Mission here accredited to India would like to extend on behalf of our great continent our sincere thanks and appreciation to His Excellency the Hon'ble President of India, the Prime Minister of India, the Minister of External Affairs of India, Her Excellency Madam Tripathi, who was very much instrumental in this project, His Excellency Joint Secretary Mr. Suri.

Indeed this is one of the biggest projects in South-South cooperation.

It is giving Africa-India relations a new substance and content. It is not only bridging the digital divide, it is bridging the hope divide between the haves and the have-nots. So, on this great day we salute the people of Government of India. India and Africa have always been traditional allies and partners. So, we are now mobilizing our ammunition to target, to defeat hunger and illiteracy through this very great project.

India is also now scoring a lot in achieving the Millennium Targets as specified by the United Nations. It is in no uncertain terms a huge contribution to the development of South-South cooperation, a huge contribution to India-Africa relations, and a huge contribution by the people of India to the people of Africa. So, by all means and standards it is a great day for us because if we are targeting a knowledge-based society, then this is just the beginning. I am sure the deadline will be met and the project would be operational in 2007. In fact, I am very much optimistic that before that we will see movement towards implementation of this project. I also want to thank His Excellency Mr. Zoba for leading this very high-level delegation to India. India-Africa relations are entering a new phase and new history. Thank you.

{The remarks of Dr. Bernard Zoba have been translated from French}



430. Address of President A.P.J. Abdul Kalam during the valedictory function of the conclave on India-Africa Project Partnership 2005 'Expanding Horizons'.

New Delhi, November 8, 2005.

India - Africa Partnership for Focused Missions

I am delighted to participate in the India-Africa Project Partnership 2005 "Expanding Horizons" organized by Confederation of Indian Industries (CII) and EXIM Bank. My greetings to the organizers, Hon'ble Ministers, Principle Advisors, Bankers, Business Captains, representatives of Chambers of Commerce and Industries and Government representatives participating in this Conclave. Particularly, I would like to greet the delegates of 31 African countries who are participating in this Conclave. I understand

that the first Conclave resulted in discussions on one hundred and seventy eight projects valued at US \$ 6 billion for further partnership and also signing of 12 MoUs. In this Conclave you have discussed specific participation of Indian business leaders in African projects. You have also had interaction with institutions for long term involvement in capacity building. I am sure that these interactions will lead to new partnership between Indian Industry leaders and African Industry leaders and result in the establishment of new enterprises in Africa and India based on the core competence of both the countries.

I am happy to note that as part of New Partnership for Africa Development and TEAM-9 projects valued at \$360 Million has been approved and letters of credits opened. Also 15000 students from different parts of Africa study in India and 1000 officials from Sub - Saharan Africa receive training Annually in India under ITEC Program.

Study of Conclave Outcomes

I studied the number and profile of participants of both India and Africa who attended the first Conclave held in March 2005 and attending the second Conclave being held now. It is really a high level participation. In addition CII and the EXIM bank have provided certain inputs for the Conclaves. In spite of that I consider there is a large scope for improvement in the quality of output which has resulted from these two Conferences. That would need active participation from both the Governments, focused programme definition by industry captains and also creation of clearance mechanisms for faster decision process by both the countries.

Pan African e-Network

During the last two years I had an opportunity to visit African countries such as Sudan, Tanzania, Tanzania-Zanzibar and South Africa. Also I had an opportunity to address the Pan African Parliament on 16 Sept 2004, at Johannesburg, South African which was attended by Heads of 53 member countries of the African unit. There I announced the willingness of Government of India to provide seamless and integrated satellite, fiber optics and wireless network connecting 53 African countries. This will provide three Connectivities: (i) Heads of the State Network for e-governance (ii) Tele-education network for higher education, skill enhancement and capacity building and (iii) Tele-medicine for providing health care and super speciality

medi-care. This programme will be funded by India. This network will be in position by early 2007.

Flow Chart of Events towards MoU

Now, I would like to give the sequence of events which took place before final signing of the MoU between India and African Union for implementation of Pan-African e-network project. As soon as the project was announced a technical committee was appointed by Prime Minister's Office (PMO) to generate the project report. The derivation of the project report took four months and needed six meetings of the technical experts drawn from Department of Space, Rashtrapati Bhavan, Ministry of External Affairs (MEA) and Telecommunications Consultants India Limited (TCIL). MEA had also interacted with African Union (AU) and member countries in this period. After the submission of the project report, PMO reviewed the project two times. Then PMO directed MEA to submit the project to AU. MEA organized a presentation of the project report by a high level team to Chairman and members of the AU. AU also constituted a Technical Review Committee consisting of members drawn from AU and International organizations. The final presentation was made by the Indian team to the Technical Review Committee which observed that this proposal is in line with the missions and objectives of the African Union and provides tremendous potential for achieving the MDG (Millennium Development Goals) through the use of innovative ICT. Meanwhile I made a presentation of the whole project to the 28 Ambassadors of Pan African countries stationed in Delhi at Rashtrapati Bhavan. They also visited ISRO and saw the operational tele-medicine facilities. After this event MoU between AU and India has been signed on 27th October 2005. It can be seen with the persistent efforts of PMO, MEA and AU, a comprehensive robustly reviewed, mutually agreed project proposal for implementation of the state-of-the-art Pan African e-network has been evolved within a year, due to the focussed participation of all the stakeholders in the system.

I am giving this example to illustrate how with focussed attention a Government system has been able to perform in a time bound manner. In the case of private sector enterprises who have much more autonomy of operation, they should definitely be able to achieve higher level of results if they follow a focussed approach to project conceptualisation, formulation and implementation. CII and EXIM bank should study the specific problem

faced by the business leaders and carve out a definitive problem solving session with various constituents of the decision making machinery. Here I would like to mention that AU and India can conduct a survey and short list few consultants both in India and Africa for the preparation of robust project reports, which will meet the needs of the policies and procedures, enunciated by both the Government from time to time.

India and Africa: Natural Allies

As all of you will agree with me India and Africa are natural allies. We have many things in common and we have a common civilizational heritage. We have a historical links right from Mahatima Gandhi sowed the seeds of Ahimsa dharma in South Africa. Also Africa has great leaders of international status like Mwalimu Nyerere, Nelson Mandela and Martin Luther King. Now India is in the process of transforming itself into a developed nation by the year 2020. Hence I would like to present our national challenges and plans. I am sure that this may be relevant to many of the countries in the AU.

Our National mission - challenges

Our nation is going through a major challenge of uplifting of 260 million people who are below the poverty line and also to give better life for many millions who are on the border line of poverty or just above the poverty line. They need a decent habitat, they need work with reasonable income, they need food, they need speedy access to health care, and they need education and finally they need a good life and hope for a better future. Our GDP is growing at more than 7% per annum on an average. Whereas, the economists suggest that to uplift the people from below the poverty line, our economy has to grow at the rate of 10% per annum consistently, for over a decade.

Integrated action: To meet the need of one billion people, we have the mission of transforming India into a developed nation. We have identified five areas where India has a core competence for integrated action: (1) Agriculture and food processing (2) Reliable and Quality Electric power, Surface transport and Infrastructure for all parts of the country. (3) Education and Healthcare (4) Information and Communication Technology (5) Strategic sectors. These five areas are closely inter-related and if properly implemented, will lead to food, economic and national security of our country.

Engines for Growth: Emphasis should be on full utilization of natural and human resources of the nation to meet the demands of the modern society. We should also remember that about 50% of our population is young people with aspirations for better living. Value addition in Agriculture, Manufacturing and Service sectors, building the national core competence and technologies will lead to additional high income employment potential. The engines for growth will be accelerated by launching of the five national missions viz. water, energy, education and skills, infrastructure and employment generation. The totality of these five missions will enable achievement of 10% GDP growth rate per annum. It is possible to do so with ecological and economic sustainability. It is not the mission of governments. It is a collective efforts of big and small businesses, science and technology and academic institutions, foreign investors, and many others who have confidence about India.

With these aspects in view, we have already laid down the road map. The priority for the government is to convert the road map into various missions. It is to be done in a decentralized manner allowing a greater role for private enterprise and local initiatives. While converting the vision into different missions we seem to have many thoughts and variety of routes to reach the goal. This is where there is a need to have a coherent thinking among all the members of the society, including the legal and law and other agencies. All of us have to think that the nation is greater than an individual or an organization. All of us should believe, that "we can do it". The key question before us is: How to create such an enabling environment?

National Missions and opportunities

Let me discuss some of the national missions that India is giving thrust for achieving sustainable economic development for all the regions of the nation. I am sharing these missions with the members of this Conclave, so that you may like to replicate this model in your countries. First I would like to agriculture and agro food processing.

Agriculture and agro food processing

India is now producing about 200 million tonnes of food grains, as a result of the first green revolution piloted by the political leadership of Shri. C. Subramaniam, the scientific leadership of Dr. M.S. Swaminathan and willing farmers. India has now embarked on Second Green Revolution which

will enable increase in productivity and diversification of the agricultural sector. The second green revolution will have the farmers in focus, farming technology as the friend, food processing and marketing as partners and the consumers as customers. From now on to 2020, India will gradually increase the production to around 400 million tonnes of grains. The increase in the production will have to be done under the reduced availability of land from 170 million hectares to 100 million hectares with reduced water availability. We should also learn to diversify to meet specific consumer preferences, export markets and also in the interest of ecological balance. This is to be achieved through information access to all stakeholders and not with central controls or restriction of movements of agro products. Now, I would like to discuss about PURA.

Providing Urban Amenities in Rural Areas (PURA)

The number of PURA units for the whole country is estimated to be 7000. This envisages integrated connectivities to bring prosperity to rural India. These are - physical connectivity of the village clusters through quality roads and transport; electronic connectivity through tele-communication with high bandwidth fiber optic cables reaching the rural areas from urban cities and through Internet kiosks; and knowledge connectivity through education, vocational training for farmers, artisans and craftsmen and entrepreneurship programmes. These three connectivities will lead to economic connectivity through starting of enterprises with the help of banks, micro credits and marketing of the products.

Each PURA cluster will connect about 20 villages depending upon the region and population and will cost about Rs.100 crores (~\$20 Million). After initial short-term employment during construction etc., we have to plan for initiating actions for providing regular employment and self employment opportunities in nationally competitive small enterprises in agro processing, manufacturing and services sectors for about 3000 people. If the industrial/business parks are marketed well, they can generate employment opportunities in support sector for about 10,000 people in that cluster. This will provide sustainable economy for the rural sector. In this national mission, bankers can promote entrepreneurship in the rural areas. This will lead to the removal of urban-rural divide. This experience can become a model for other countries to follow.

Periyar PURA - Transformation of Rural Society

Last year I had visited Periyar Maniammai College of Technology for women and inaugurated a project called Periyar PURA (Providing Urban amenities in Rural Areas) Complex. Over 65 villages near Vallam, Thanjavur district of Tamilnadu, have been transformed as a PURA Cluster. This PURA complex has all the three connectivities - physical connectivity, which has a circular road and interconnecting roads covering major villages along with bus transport system, it provides electronic connectivity through internet kiosks and knowledge connectivity through its academic background - leading to economic connectivity to the 65 villages.

The centre of activity emanates from the women engineering college that provides the electronic and knowledge connectivity. Periyar PURA has health care centres, primary to post graduate level education and vocational training centres. This has resulted in large scale employment generation and creation of number of entrepreneurs with the active support of 850 self-help groups.

They have innovative water management schemes for irrigation and providing potable water for all the village citizens. All 65 Periyar PURA villages are having only rain fed irrigation. Two hundreds acres of waste land has been developed into cultivable land with innovative water management schemes such as contour ponds and water sheds for storing and irrigating the fields. All the villagers are busy in either cultivation, planting Jatropha, herbal and medicinal plants, power generation using bio-mass, food processing and above all running marketing centres. Due to shortage of rainfall in that locality, farmers were suffering due to scarcity of water not only for agriculture but also for drinking purposes. Keeping this in mind, Periyar PURA developed six percolation ponds and five check dams to harness the rain water amounting to 2.73 lakh cubic meter per year. This water is supporting the irrigation of 300 acres of land through recharging their open wells and bore wells. It also supplies drinking water to the people. Periyar PURA has also developed alternate practices such as Contour lands, check dams across natural streams for water conservation and developed a model for irrigation for conservation of water. More than 5000 farmers are benefiting from this program. This example will be useful for water management in PURA complexes. Recently Periyar PURA has brought number of employment oriented schemes to the Tsunami affected Nagapattinam villages and trained the Self-Help Groups on the Tiles making,

paper manufacturing, alternative building blocks manufacturing and number of commonly used items required in the rural and urban market. This single women engineering college have empowered the villagers through the skill oriented training, provision of finance and provision of market connectivity for their produce.

PURA: Loni Model (Maharashtra)

Recently, I visited a place called Loni in Maharashtra where a participative model of integrated rural development has come up among 44 villages with the population of 80 thousand. The architect of this model Shri Bala Saheb Vikhe Patil, MP of Maharashtra has a vision of improving the productivity of the rural people through improved quality of life with healthcare, education and employment.

The concept is people centric development for social transformation. The thrust area of development has been on comprehensive medicare particularly for women and children, need based health education and e-connectivity to the farmers. The complex has created 27 educational and vocational institutions consisting of schools, colleges, polytechnic and ITI including medical and engineering colleges. They have created sugar factory, bio-grass plants, chemical plants and power projects. They have large number of self-help groups for providing low interest loan for the weaker sections in the society. Due to the co-operative effort of the people, literacy in these villages has gone up from 63% to 83%, birth rate has come down 2.3% to 2%, infant mortality rate has decreased to 35 per 1000 from 70 per 1000 and the standard of living of the people has gone up by over 20% compare to other village clusters in the neighbouring areas.

Bio-fuel Mission

Government has decided to permit of mixing of 10% bio-fuel with diesel. This has opened up new opportunities for employment and wealth generation. We have nearly 63 million hectares of wasteland available in the country, out of which 33 million hectares of wasteland have been allotted for tree plantation. Certain multi-purpose trees such as *Jatropha* can grow well in wasteland with very little input. Once grown the crop has a fifty years of life. Fruiting can take place in this plant in less than two years.

It yields oil seeds up to five tonnes per hectare per year and produces two tonnes of bio-diesel. Presently, the cost of bio-diesel through the plant

is approximately Rs. 17 to Rs. 19 per litre which can be substantially reduced through choice of right size of the plant and using high yield variety plantation. Bio-diesel plants grown in 11 million hectares of land can yield a revenue of approximately Rs. 20,000 crore (nearly four billion) a year and provide employment to over 12 million people both for plantation and running of the extraction plants. This is a sustainable development process leading to large scale employment of rural manpower. Also, it will reduce the foreign exchange outflow paid for importing crude oil, the cost of which is continuously rising in the international market. Moreover, use of Bio-fuel is CO₂ emission free. This oil can also be used for soap and candle industries. De-oiled cake is a raw material for composting. Also Jatropha plantation provides a good environment for honey production. We should absorb best of the technologies available worldwide and start commercial operation soon. I would request the banking community assembled here to take the initiative, generate detailed project report in collaboration with technical agencies on this project and promote entrepreneurs with financial support from the banks in rural areas who can undertake the plantation and commissioning of extraction plant leading to production of cost-effective bio-fuel. I am sure the bio-fuel plants can grown in many parts of Africa. Can there be a better project than this for coherent development of our rural sector in our countries?

HIV/AIDS

It is reported that in India number of HIV infected people is on the increase. It is critical that the transmission of HIV infection is prevented. An effective vaccine that can prevent this disease will be a cost effective tool for control of infectious diseases. There are three Sub Types of Viruses classified as A, B and C. I understand that Indian population is largely affected by sub-type C virus.

There are two candidate vaccines presently considered for use against sub type C virus in our country. In view of the urgency of finding a cost effective vaccine, the expert group reviewed the vaccine candidate for HIV sub type C in the pipeline. Adeno-Associated Virus (AAV) based vaccine with HIV-1 sub type C (African strain) developed by Targetted Genetics Corp, USA was found to be in advanced stage of test in different parts of the world. This HIV vaccine (tgAAC09) is now undergoing Phase-I trial for safety and immunogenicity assessment in healthy HIV uninfected volunteers at National AIDS Research Institute, Pune.

The Indian vaccine has been developed by scientists from National

Institute of Cholera and Enteric Diseases in collaboration with National Aids Research Institute, Pune and Therion Biologics, USA. This is a recombinant vaccine containing six genes from HIV 1-C strain. This vaccine was developed from the virus isolated from National Aids Research Institute, Pune. This will go into Phase-I trial in healthy uninfected adults at Tuberculosis Research Centre, Chennai during this year. Both these programmes are being progressed as a joint venture between ICMR, National Aids Control Organisation (NACO) and International Aids Vaccine Initiative. In addition to these two vaccines a DNA based vaccine and SFV vaccine are also under development.

Time has, now arrived to take up this development in a mission mode so that an effective vaccine will be available for our countries within the next two years. Simultaneously, I would suggest that the medical community must start working on the development of anti-vaccines for sub-type A and B also. India and Africa can definitely work together in this programme.

Electronic Connectivity and GRIDs

The electronic connectivity for one billion people must transform into a network and provide a seamless access between knowledge creator, converter of knowledgeable products and the knowledge consumers. This can be achieved through the creation of knowledge grid, health grid, governance grid and PURA Grid.

To maximize the synergy between the grids, leading to maximization of GDP and productivity, there is a need for inter-grid Connectivities, which may be called as societal grid. Knowledge sharing, knowledge utilization and knowledge re-use is very vital by all constituents of the society for promoting non-linear growth. Societal Grid consists of:

1. Knowledge GRID - Inter connecting universities with socio-economic institutions, industries and R&D organizations.
2. Health Care GRID - Inter-connecting the Health Care institutions of Government, Corporate and Super specialty hospitals. Research institutions, educational institutions and ultimately, Pharma R & D institutions.
3. E-Governance GRID - Inter-connecting the Central Government and State Governments and District and Block level offices for G2G and G2C connectivity.

4. PURA Knowledge GRID - Connecting the PURA Nodal centers with the Village knowledge centres and Domain service providers. Since this is the backbone for rural development, all other GRIDs will infuse the knowledge into this GRID for sustainable development, healthcare and good governance. For example, five of the Periyar PURA villages have now connected using Wi-MAX connectivity.

Integrated village knowledge centers: will act as an inter-connected delivery mechanism for tele-education tele-medicine and e-Governance services apart from individual access by the people, within and between the Village Knowledge Centres through the PURA Grid.

Bandwidth as an infrastructure: In order to make the country the most advanced knowledge society, we should aim at making the bandwidth available without hindrance and at no cost. Making the bandwidth available is like the Government laying the roads. Movement of materials through these roads creates wealth in the industrial economy and the government recovers more than the investment on the roads by way of taxes and enhanced prosperity of its people. In the modern digital economy driven by knowledge products, bits and bytes traverse the network and create wealth and this will recover the cost of investments in the bandwidth. Cost effective creation of the four Grids and inter connectivity between Grids is the profound platform for collaborative research, development and deployment.

Conclusion

I have shared with you certain thoughts on development and also certain key accomplishments, which has been realized so far. There is substantial scope for co-operation between Africa and India, which can provide a better quality of life for the people of both nations. Both the countries have a large bio-diversity, substantial amount of natural resources and hard working human resources. Also, Africa and India are aspiring to become developed country. What we need is to identify the core competence of each one of us and match the core competence with the economic and societal needs of a particular nation. The connectivity is the key for marching towards our goal of development in a faster pace than what we have been doing so far. Knowledge creation, knowledge sharing and knowledge dissemination is the vital component for our growth. I am sure that the future Conclaves will provide focused opportunity for both the countries to move towards the development goals in a coherent manner.

My best wishes to the members of this Conclave in their mission of expanding the partnership horizons of India and Africa for their mutual benefits.

May God bless you.



CONGO

431. Joint statement issued on the visit of Minister of Foreign Affairs of the Democratic Republic of Congo Ramazani Baya.

New Delhi, February 1-4, 2005.

1. The Minister for Foreign Affairs of the Republic of DR Congo, H.E. Mr. Ramazani Baya paid an official visit to India from February 01-04, 2005.
2. During his visit, H.E. Mr. Ramazani Baya called on H.E. Mr. Natwar Singh, Minister for External Affairs, where wide-ranging discussions were held in a friendly and cordial atmosphere and both sides exchanged views on various bilateral, regional and international issues of mutual interest.
3. H.E. Mr. Ramazani Baya had a meeting with the Confederation of Indian Industry (CII) and with the Associated Chambers of Commerce (ASSOCHAM), where he met a cross-section of the Indian business community and invited them to participate in the opportunities offered by DR Congo.
4. Both sides noted with satisfaction the warm friendly relations between DR Congo and India. They reiterated their desire to further strengthen the close and friendly ties between the two peoples and to provide a strong impetus to bilateral co-operation.¹

1. The Official Spokesperson of the Ministry of External Affairs putting the visit in perspective said: "India and Democratic Republic of Congo enjoy close relations. We consider the D. R. Congo to be one of the most important and strategically located countries in Africa. As the largest country in Sub-Saharan Africa with an estimated population of 40 million, it has a considerable potential for economic growth. D. R. Congo is well known for its rich natural

5. Both sides recognized the immense potential for increased economic cooperation between the two countries especially in the fields of Information Technology and knowledge products, Agriculture as well as Small and Medium Scale Enterprises.
6. To these ends, the Indian side agreed to consider extending the scope of ongoing cooperation under the Indian Technical & Economic Cooperation Programme. The Congolese side requested for an increase in the number of ITEC slots and scholarships being extended by India. The Indian side agreed to consider the request favourably.
7. Both sides agreed that considerable scope exists for co-operation in the minerals and mining sector. The Indian side requested the Congolese side to give full consideration and assistance to Indian businessmen to develop DR Congo's mining sector, in particular, in minerals like diamonds, manganese, copper etc. for the mutual benefit of both countries.
8. The two sides reiterated their commitment to deepen and diversify the scope of their economic trade and cultural exchanges and to promote investments. To further strengthen the economic cooperation and to provide a juridical framework for increased interaction, both sides agreed to initiate work towards the signature, of a Bilateral Investment Promotion and Protection Agreement and a Double Taxation Avoidance Agreement.
9. The Congolese side expressed its desire to acquire tractors and other agricultural equipment from India and in the establishment of a tractor assembly plant in DR Congo. In this regard, Mr. Baya requested the Indian side for a donation of some tractors to DR Congo. The Indian side agreed to favourably consider the request.

resources. It is one of the world's largest producers of rough diamonds, an area in which the Indian diamond industry has shown considerable interest. It is also rich in minerals like Manganese, Cobalt, Copper and Zinc for which there is a considerable requirement in India. Several Indian companies are already in the process of establishing facilities in DR Congo for the mutual benefit of both countries. There is a substantial presence of Indians in DR Congo with about 800 Indian nationals in Kinshasa and about 1,500 persons of Indian origin. DR Congo offers good potential for business for Indian goods and services. Many Indians are in the trading sector. The Indian business community has substantially grown in the last few years. They employ more than 250 professional Indian expatriates, mainly accountants and business managers. India has played a key role in the Congo, particularly in peacekeeping. Indian peacekeepers had acquitted themselves admirably in the 1960s and even today. India has one of its largest contingents abroad in the DR Congo. India has committed more than 3250 troops, 10 helicopters, hospital, communication unit etc. to the UN Peacekeeping Force in DR Congo.

10. On the situation in Africa, the two sides expressed satisfaction over the positive developments in the continent represented by the establishment of the African Union, with NEPAD as its economic arm. India reiterated its commitment to support the AU, in particular through the US\$ 200 million line of credit under NEPAD.

11. The Congolese side requested for a bilateral line of credit of US\$ 50 million to help finance projects in the agriculture, pharmaceuticals, urban transport, infrastructure, mining and minerals sector. The Indian side agreed to consider the request favourably and requested the Congolese side to prepare proposals for specific projects of mutual interest.

12. On the international level, both sides reaffirmed their commitment to promote the formation of an equitable multi-polar world order based on the equality of states, principles of rule of law, territorial integrity and non-interference in the domestic affairs of States with a view to removing threats to stability and international security.

13. The two parties expressed their determination to pursue contacts initiated to ensure that the basic concerns of developing countries are taken into account in future multilateral trade talks at WTO level, particularly those relative to agricultural subsidies and market access.

14. The two parties expressed grave concern over the spread of international terrorism, religious intolerance, international crime, drug and arms trafficking. They considered this wave of violence as a threat to the sovereignty of States, development, stability as well as to international peace and security. They condemned terrorism in all its forms and manifestations, regardless of its authors and motivations. In this regard, the two parties stressed the importance of the strict, total and unconditional implementation of all United Nations Security Council Resolutions on Terrorism. They stressed the need to strengthen the international legal system to fight against terrorism by reinforcing the International legal system on the battle against Terrorism.

15. The two sides reiterated their support to the need to reform the United Nations, particularly the expansion of the UN Security Council. They stressed, in particular, the need for equitable balance in the expanded Security Council to provide a constructive voice to the aspirations of the developing countries. Given the fact that India is the largest democracy in

the world and in view of its past contributions to the promotion of International peace and security, DR Congo extended its support to India's candidature to the permanent membership of the UN Security Council.

16. On behalf of the Government of the Republic of DR Congo, H.E. Mr. Ramazani Baya expressed sincere thanks to the Government of the Republic of India for the warm hospitality extended to him and his delegation.



EGYPT

432. Press release of the Ministry of External Affairs on the meeting between External Affairs Minister K. Natwar Singh and Egyptian Foreign Minister Ahmed Aboul Gheit on the sidelines of the Afro-Asian Conference.

Jakarta, April 22, 2005.

EAM had a bilateral meeting with the Foreign Minister of Egypt Mr. Ahmed Aboul Gheit, on the morning of April 22, 2005. The meeting lasted for thirty minutes and was held in a warm and cordial atmosphere. The main subjects discussed were relations between India and Egypt, the forthcoming Joint Commission Meeting (JCM) between the two countries, the situation in the Middle-East and recent developments in India-Pakistan relations.

EAM recalled the warm relations between the two countries since the 1950s, the close association and friendship between Prime Minister Nehru and President Nasser and conveyed that India was very keen to broaden and deepen its friendly relations and interaction with Egypt.

The Egyptian Foreign Minister said that Egypt wished to have a renewed focus on India-Egypt relations which would benefit not only the two countries but also the two regions.

EAM reciprocated these sentiments and observed that bilateral trade between the two countries was far below potential. In this context, the two

Foreign Ministers agreed to convene the meeting of the next India-Egypt Joint Commission in July this year.

Recalling that India had recently sent a Special Envoy to Egypt, EAM asked for the Egyptian Foreign Minister's assessment of the situation in the Palestine and the Middle-East.

Egyptian Foreign Minister explained how Egyptian diplomacy was seeking to build bridges to ensure the implementation of the understandings reached at the Sharm-el-Sheikh Conference and to maintain the momentum of the Peace Process. He also conveyed that Egypt was promoting multi-country projects in the area of energy (gas pipelines and electricity) that would give countries in the region a stake in the maintenance of peace.

EAM briefed the Egyptian Foreign Minister about the recent positive developments in India-Pakistan relations which he described as "never having been better in the last fifty years". The Egyptian Foreign Minister welcomed these developments.



433. Press release of the Ministry of External Affairs on the fifth round of Indo-Egyptian Foreign Office Consultations.

New Delhi, May 19, 2005.

The fifth round of Foreign Office Consultations at delegation level between India and Egypt was held in New Delhi on May 17, 2005. The Indian side was led by Mr. Rajiv Sikri, Secretary (East) and the Egyptian side was headed by Dr. Izat Saad, Assistant Minister, Ministry of Foreign Affairs. The two sides had wide-ranging exchange of views in the spirit of friendly and mutual understanding. The two sides had a comprehensive review of bilateral relations as well as regional and international issues of common concern. Both sides also discussed various ways to promote bilateral cooperation. During his visit, Dr. Saad called on Minister of State for External Affairs, Mr. E. Ahamed on 19 May 2005. A wide range of issues were discussed underlining close bilateral relations between the two countries. This round of Foreign Office Consultations will be followed by

Fifth Round of the India-Egypt Joint Commission to be headed by the Foreign Ministers in New Delhi in July 2005.



ERITREA

434. Media briefing by Official Spokesperson on the meeting of External Affairs Minister K. Natwar Singh with the Foreign Minister of Eritrea Ali Said Abdella on the sidelines of the Afro - Asian Conference.

Jakarta, April 22, 2005.

EAM had a bilateral meeting with the Foreign Minister of Eritrea Mr. Ali Said Abdella on the sidelines of the Asian-African Summit in Jakarta on April 22, 2005. The meeting lasted for thirty minutes and was held in a warm and cordial atmosphere. The main subjects discussed during the meeting included bilateral political, economic, cultural and people-to-people relations; technical assistance from India to Eritrea and India's contribution of peacekeepers on the border of Ethiopia and Eritrea.

The Eritrean Foreign Minister expressed appreciation for India's contribution to Eritrea's education sector where 600 teachers from India were imparting education to Eritrean pupils. He also thanked India for its contribution of 1400 peacekeepers on Eritrea's border with Ethiopia. He acknowledged the contributions of the Indian business community to Eritrea's economy.

EAM agreed to consider the request of the Eritrean Foreign Minister to appoint an Honorary Consul of India in Eritrea to better service the Consular needs of the business community seeking to trade with India.

The Eritrean Foreign Minister recalled his visit to India in 2004 at the head of the large delegation and expressed an interest in concluding Agreements on Technical Cooperation, the Establishment of a Joint Commission, Tourism, Education and Defence Cooperation.

In response to a request from Foreign Minister Ali Said Abdella EAM

agreed to consider a proposal for increasing allocation of slots under the Technical Cooperation Programme for Eritrea.

EAM briefed Foreign Minister Ali Said Abdella about recent positive developments in India-Pakistan relations which he described as "never having been better in the last fifty years". Minister Abdella welcomed these developments and said that this would benefit not only the two countries but also the region as a whole.



ETHIOPIA

435. Media briefing by Official Spokesperson on the meeting of External Affairs Minister K. Natwar Singh with the Ethiopian Foreign Minister Seyoum Mesfin on the sidelines of the Afro – Asian Summit Conference.

Jakarta, April 22, 2005.

EAM had a bilateral meeting with the Foreign Minister of Ethiopia Mr. Seyoum Mesfin on the sidelines of the Asian-African Summit in Jakarta on April 22, 2005. The meeting lasted for thirty minutes and was held in a warm and cordial atmosphere. The main subjects discussed during the meeting included bilateral political, economic, cultural and people-to-people relations; potential opportunities for enhancing trade and investment relations, cooperation between the two countries in various South-South Fora and recent developments in India-Pakistan relations.

EAM recalled the warm relations between the two countries in the political, security and economic spheres and stressed the importance of realizing the potential in bilateral trade and investment.

The Ethiopian Foreign Minister recalled the excellent State-to-State and People-to-People relations between the two countries. In particular, he referred to the vital role played by India and Indian teachers in Ethiopia's education sector. Acknowledging the important role played by Indian construction companies in the infrastructure sector in Ethiopia, he welcomed the participation from these companies in new projects in road, railways

and hydro-power. Ethiopia also valued Indian contributions to their small-scale sector, micro-enterprises, agricultural research.

The Ethiopian Foreign Minister invited EAM to visit Ethiopia at his convenience to give a boost to bilateral relations, particularly on the economic side of the relationship.

The Ethiopian Foreign Minister reiterated Ethiopia's support to India's candidature for a permanent seat on a reformed UN Security Council.

EAM briefed Foreign Minister Seyoum Mesfin about recent positive developments in India-Pakistan relations which he described as "never having been better in the last fifty years". Minister Mesfin welcomed these developments and said that this would benefit not only the two countries but also the region as a whole.



GAMBIA

436. Media briefing by Official Spokesperson on the visit of Secretary of State (Minister) for Foreign Affairs of the Gambia Sidi Mhorro Sanneh.

New Delhi, January 11, 2005.

His Excellency Mr. Sidi Mhorro Sanneh, Secretary of State (Minister) for Foreign Affairs of the Gambia is paying an official visit to India from 11th to 13th January 2005. Mr. Sanneh is leading a 15-member delegation and is accompanied by 3 other Ministers dealing with Health & Social Welfare, Education and Agriculture.

During his visit, Mr. Sanneh is scheduled to call on high-level dignitaries besides holding detailed discussions with the Minister of State for External Affairs, who will also host a Lunch in his honour. They will also have a meeting with the External Affairs Minister to exchange views on various issues of concern.

This is the first high-level official delegation from the Gambia visiting India. India and the Gambia share cordial and warm relations and there is

active co-operation between the two countries in the international fora particularly in the Commonwealth and in the UN. The Gambia is also a member of the OIC.

Both sides are determined to further strengthen and expand these relations in all fields, including trade and economy. Economic and trade ties between the two countries have increased recently and the opportunities are immense. Several Indian companies have shown an interest in exploring these opportunities.

The fact that the Foreign Minister is accompanied by 3 Cabinet Ministers, several senior officials as well as the head of the national Chamber of Commerce, demonstrates the country's high regard for India's capabilities in the fields of agriculture, education, healthcare & IT and the desire of the Gambian side to deepen bilateral co-operation and business linkages in these areas. It also shows the results of India's more active engagement with the West Africa region, with visits from Senegal, the Democratic Republic of Congo and Benin scheduled over the next few weeks. Accordingly, the Gambian delegation will interact with a cross-section of Indian businessmen from areas like agricultural machinery, pharmaceuticals, healthcare, education, IT etc. They would also visit some of the manufacturing facilities in these sectors with a view to encouraging their participation in the Gambian economy. NRDC, a Government of India enterprise that specialises in developing appropriate technologies for agriculture, fisheries, animal husbandry etc. will make a focussed presentation to the Gambian delegation.



GUINEA

437. Press release of the Ministry of External Affairs announcing donation of rice, medicines to Guinea.

New Delhi, April 8, 2005.

The Government of India has donated 1 million kgs. of rice and a large quantity of anti-retroviral medicines worth US \$ 100, 000 to the Government of Guinea. The Government of India has also announced that it will be providing a further 2 million kgs. of rice to ameliorate food shortages in the country.

2. The aid consignments from India were formerly handed over to Mr.Thierno Habib Diallo, Minister of Cooperation of Guinea at a special ceremony in Conakri. Expressing his Government's gratitude to the Government and people of India for the timely assistance, Mr. Diallo said that this would further strengthen the close relations between the two countries. Describing India as a model that his country would like to emulate, he sought India's help in developing the agriculture and pharmaceutical sectors and in setting up small and medium industries. Mr. Sekouba Bangoura, National Director for Cooperation, also expressed his warm appreciation for India's assistance and highlighted the manner in which India had moved from being a net importer of food grains only a few decades ago to a country, which now possessed substantial food grain reserves and had become a net exporter.

3. The aid package to Guinea is part of India's efforts aimed at assisting countries in Africa to combat poverty, malnutrition and health problems. Over the years, India has emerged as an important development partner for Africa, extending about US \$ 1 billion worth of technical assistance. This includes training programmes aimed at capacity building and deputation of experts for setting up specific projects in African countries. Currently, about 450 personnel from sub-Saharan Africa received training in civilian and defence fields in India every year under the ITEC programme. India is also actively engaged in implementing a wide range of projects in the fields of small and medium enterprises, non-conventional energy generation, cost-effective housing, health care, vocational training, etc.



LIBYA

438. Press release of the Ministry of External Affairs on the visit of Minister of State E. Ahmed to Libya.

New Delhi, May 30, 2005.

MOS for External Affairs Shri E. Ahmed visited Libya from 26-29 May. Mr. Ahmed was received on arrival at airport by Mr. Taher Siala, Minister for Cooperation. He subsequently also had substantive discussions with Mr. Siala. During the visit, he also met Mr. Treiki, Minister of State for African Affairs in the Libyan Foreign Office, Mr. Ahmed Gaddafi Dam, Mr. Badri, Chairman, National Oil Corporation, Mr. Shahoumi, Chairman, Foreign Affairs Committee of the General Peoples Congress (Libyan Parliament). On the last day of his visit, Shri E. Ahmad met Prime Minister Shukri Ghanem, Energy Minister Dr. Fathi Omar Ben Shatwan and Chairman, General Electrical Company of Libya Omran Abu Kra'a.

2. The Minister discussed steps for strengthening cooperation in political and economic fields. The Minister was also accompanied by a business delegation.

3. Shri E. Ahmed underlined India's commitment to strengthening relations with African and Arab countries. This is part of India's long-standing policy. The Libyan leadership appreciated India's contribution to African and Arab causes in international fora.

4. The Minister briefed the Libyan side about recent visit of Palestinian President Mahmood Abbas to India, as well as his earlier visits to Palestine. The Minister also briefed them about India's initiative in improving relations with immediate neighbours.

5. The visit has imparted momentum to Indo-Libyan trade and economic cooperation. The Minister highlighted interests and capabilities of Indian companies in diverse fields, including oil and gas, power, software, automobiles. The two sides also discussed possibilities of stepping up cooperation in service sectors, including education and healthcare. Indian educational system is considerably cheaper than equivalent courses available in developed countries. Libyan side evinced keen interest in exploring these possibilities.

6. Libya offers attractive market to Indian exports, as well as opportunities for investment and joint ventures. Libya is embarked on a massive programme for expansion of its oil production. This has convergence with India's quest for oil security. Oil India-IOC consortium won an oil concession in the last round of bidding. These two companies, along with ONGC, are interested in participating in the second round of oil bidding, which has already been initiated. Indian oil PSUs are also interested in refinery sector, construction of oil pipeline and LNG production. BHEL is already executing a 600 MW power plant at a cost of Rs 1200 crores. It is willing to expand its presence in this sector. There is also good response to Tata and Maruti, which had participated in Tripoli International Trade Fair recently while the Minister's visit has created an excellent ambience, it is up to the Indian companies to seize the initiative.



MADAGASCAR

439. Press release of the Ministry of External Affairs on the visit of Foreign Minister of Madagascar General Marcel Ranjeva.

New Delhi, March 23, 2005.

H.E. General Marcel Ranjeva, Foreign Minister of Madagascar is currently on visit to India. He held bilateral discussions with External Affairs Minister, Shri K. Natwar Singh today. Both Foreign Ministers discussed reforms in the UN system. Madagascar Foreign Minister reaffirmed their support for India's candidature for a permanent seat in the UN Security Council. He sought India's assistance in the field of agriculture, health care, pharmaceuticals, infrastructure, education and IT.

External Affairs Minister assured him of all possible help. EAM also assured him of training of 20 Malagasy officials per year under ITEC. EAM also assured him of training Malagasy diplomats in Foreign Service Institute and their Defense Forces personnel in our defence establishments. EAM also extended an invitation to the Malagasy President to visit and Malagasy

Foreign Minister invited EAM to visit Madagascar. The dates for both the visits would be decided through diplomatic channels.



MAURITIUS

440. Media briefing by Official Spokesperson on the visit of Minister of State E. Ahamed to Mauritius.

New Delhi, January 14, 2005.

- Shri E. Ahamed, Minister of State for External Affairs, made a statement yesterday at the High Level Segment of the plenary Session of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, which is currently taking place in Mauritius.
- The Minister, alongwith other Heads of Delegations, had a breakfast meeting with UN Secretary General Kofi Annan before the plenary session. UNSG appreciated the relief efforts extended by India to victims of the Tsunami disaster.
- Shri Ahamed also had a bilateral meeting with the Prime Minister of Mauritius, Paul Raymond Berenger, during which the close existing ties between the two countries were reiterated. Prime Minister Berenger thanked MOS for India's contribution in constructing the state of the art Convention Centre in Mauritius. The Centre is named after Swami Vivekananda and is the venue of the UN Meeting on Small Island Developing States.



441. Special media briefing by Secretary (West) Mrs. Shashi U. Tripathi on the visit of Prime Minister Dr. Manmohan Singh to Mauritius.

New Delhi, March 29, 2005.

Official Spokesperson : Good afternoon everybody. Welcome to this briefing on the eve of Prime Minister's departure to Mauritius. I have great pleasure in telling you that we have with us Secretary (West) Mrs. Shashi Tripathi who will be accompanying the Prime Minister to brief the media. We also have Dr. P.V. Joshi, Joint Secretary (ESA) with us.

Secretary (West) (Shrimati Shashi U. Tripathi) : Thank you very much, Navtej.

Friends, I believe most of you are going to be the part of the contingent that is going with the PM. So, you know that this visit is in the series of our high-level bilateral exchanges between India and Mauritius. Our relations have been characterized by this kind of an interaction at the very highest level.

This visit, as you know, is slated to begin on the 30th, and of course, from the 30th to the 2nd. It was to have taken place in December but due to certain circumstances it was postponed. And so, it is taking place now. Basically the objective was for the Prime Minister to inaugurate the cyber tower in Mauritius, which was built with Indian assistance. The Mauritius Government, which is very happy with this tower, you will be seeing it, has been requesting the Prime Minister to come and inaugurate it.

We will give you the details of this tower. Of course, when you will go there for the inauguration you will see it for yourself. It was built with a line of credit from India to the tune of 100 million US dollars. I think it cost about 45 million dollars. It was constructed in a record time of 18 months by two Indian construction companies – Larsen & Toubro and Shapoorji Pallonji. It is an intelligent, state-of-the-art building. The technical facilities in the building, the fiber optic networks especially, have been created by the TCIL, and they are very proud of it. Some companies have occupied it but we believe that the entire tower has been booked by foreign IT companies, Indian IT companies and the local IT companies. That is the background to this visit.

The programme in Mauritius also includes an address by the PM to the National Assembly, which is the Parliament of Mauritius. He will also pay homage at the Apravasi Ghat, and the Memorial to the Father of Mauritian Nation Shiv Sagar Ramgoolam. He will be accorded a reception by a socio-cultural organization. It is a civic reception in which about fifty organizations are coming together. These organizations cut across all racial and ethnic and political groups. Of course, PM will have talks with Prime Minister Paul Berenger. He will meet with the Leader of the Opposition Naveen Ramgoolam.

During the visit, the following agreements or MoUs will be signed. These are four, which have been already negotiated. One is an agreement for setting up of a Joint Working Group on combating international terrorism. The second one is an MoU on cooperation in the field of protection of the environment. The third is an agreement based on the larger bilateral air services agreement for fifth freedom rights for Air India. The fourth is a preferential line of credit for 10 million dollars, which the Exim Bank is giving to the Bank of Mauritius. So, these are the agreements, which will be signed in the presence of Prime Ministers.

* * * *

About the relations with Mauritius, I do not think I have to amplify

1. During the visit it was agreed to set up an empowered negotiating team to draw up a Comprehensive Economic Cooperation and Partnership Agreement (CECPA) within a year, to boost bilateral trade in goods and services, promote investment flows and facilitate joint initiatives in third countries. The Prime Minister said in Port Louis on April 1 that the Agreement would reflect "the best possible complementarities in the strengths of both economies and explore the vast possibilities that exist for enhancing cooperation in trade in goods and services and promote investment flows. The CECPA can be anchored around a Free Trade Agreement covering these three areas. The Prime Minister said: "While being consistent with our multilateral commitments, CECPA will facilitate closer interaction of our economies and also facilitate exploration of opportunities in third countries." He expressed his confidence that the agreement would transform the economic interaction between the two countries to a qualitatively higher level and consolidate India's strategic partnership with Mauritius.
2. There were media speculations before the visit took place that the FTA will be signed during the Prime Minister's visit. It may be mentioned that there is a substantial trade between the two countries, which is in India's favour; with exports to the tune of \$203 million and imports at \$7.5 million in 2003-04. In contrast flow of investment has been largely in the other direction. With a bilateral investment promotion treaty and a double taxation agreement already in place, the island has been the largest source of foreign direct investments inflow into India – a total of Rs. 38, 024 crores between August 1991 and December 2004. This is more than twice what has flowed in from the United States, and almost third of all the foreign direct investment received in the period. The FTA is intended to provide a leg-up to Mauritius exports to India. The island is largely exporter of textiles and sugar.

that we have a tradition of very close relations with Mauritius, which factor in ties of blood. As you know, 68 per cent of the Mauritius population is of Indian origin. The beginnings of the immigration into, or migration into Mauritius are very moving. Therefore, any visit to the *Apravasi Ghat*, you will all go there, is a moving experience. 175 years ago these people from India went to seek a home in Mauritius and economic opportunities. What they did with the island is for you to see. They have converted that island into an island of prosperity with their hard work. It is a stony area, but they have cleared that land and then created out of it sugar plantations and an island of prosperity. The (progress) based on a textile sector, on a financial sector and now on the tourism sector speaks for the hard work and the ability of the people of Mauritius. We are naturally proud of those who went from India.

Question : There was a Comprehensive Economic Cooperation Agreement that was being negotiated between the two sides. What happened to that?

Secretary (West) : There was what we call the Comprehensive Economic Cooperation Partnership Agreement¹ (CECPA) which was to be negotiated. The first step of that was a joint study, which was conducted by India and Mauritius. The Co-Chairmen on the two sides were Dr. Ashok Lahiri from our side and Dr. Gajadhar from the other side. The joint study is complete. That study has made some recommendations. That study is going to be now formally presented to the two Prime Ministers when our Prime Minister visits (Mauritius). In fact, that is also an important component of the visit. If it is decided to accept the recommendations, this would lead to negotiations leading then to a Preferential Trade Agreement and then to a Free Trade Agreement².

Question : Mauritius is not a place with which you normally associate terrorism. Why then a JWG on terrorism?

Secretary (West) : These days terrorism has lost that concept of boundaries. You cannot any more say that this place is safe and this is not. These days there are 'pan' terrorist organizations, which are spread all over and there are branches which may function under separate names but they are present. So, suffice it to say that no place is safe from the scourge of terrorism any more.

Question : Let me put my question a little differently. Will the agreement for JWG on Terrorism take into account Mauritius as a transit for terrorists?

Secretary (West) : That is not the idea. The idea is to exchange information. This is what we have with a number of countries. We have a Joint Working Group on Counter Terrorism with a number of countries where we initially begin with exchanging information on various groups that are operating and branches which are operating in those countries.

Question : Do you have details on India-Mauritius Defence cooperation?

Secretary (West) : Defence cooperation forms an important part of our overall cooperation with Mauritius. At the moment we have thirteen officers from our Defence Forces serving in Mauritius. Nine of these are with the Navy, one with the Air Force and three with the Police Service. Mauritius does not have an armed force as such. But their paramilitary services, security services come under the ambit of their police. This cooperation has been going on. Basically, defence cooperation has been in the form of training their staff to finally take over the functions of our Coast Guards.

Question : Will there be a fine-tuning of the Double Taxation Avoidance Agreement and ... (Inaudible)... during this visit?

Secretary (West) : Not during this visit.

Question : Will you shed some light on PM's visit in the context of the domestic politics in Mauritius?

Secretary (West) : We have seen reports in the Mauritian newspapers and some stray reports in our own newspapers also that there is this political thing which is going on because of the elections. But, I do want to underline with all the emphasis at my command that this visit of the Prime Minister is totally non-partisan, because our relationship with Mauritius goes way beyond politics. It is a much larger relationship. Where elections are concerned, both of us are democratic countries and electoral system is a part of the democratic process. So, there will always be one election or the other. No nuances should be seen in the visit or extra meanings should be read into the visit.

Question : We can take this visit as the first bilateral visit of Prime Minister.

Secretary (West) : Yes.



442. Statement of Prime Minister Dr. Manmohan Singh before his departure for Mauritius.

New Delhi, March 30, 2005.

I am visiting Mauritius at the official invitation of Mr. Paul Raymond Berenger, Prime Minister of the Republic of Mauritius. I will be calling on President Sir Anerood Jugnauth as well as addressing the Mauritian National Assembly. I will be meeting the Leader of the Opposition Dr. Navinchandra Ramgoolam.

India and Mauritius enjoy traditional bonds of friendship and kinship founded on a historical and shared cultural heritage. My visit is intended to further strengthen the vast framework of our bilateral interactions with the objective of deepening and widening in every possible way our special and unique relationship with Mauritius.

In this context, I hope to discuss with the Mauritian leadership, ways of further deepening the economic content of our relations including through the early conclusion of negotiations on a Comprehensive Economic Cooperation and Partnership Agreement. Aspects related to strengthening our cooperation in defence and security areas, including counter terrorism, human resource development, air links and cultural contacts are also expected to figure in our discussions.

India has provided support and assistance to Mauritius to emerge as a knowledge hub. Chairperson of the UPA, Smt. Sonia Gandhi inaugurated the Rajiv Gandhi Science Centre during her visit to Mauritius on November 28 last year.

The Cyber Tower at Ebene constructed with Indian assistance to strengthen the capacities of Mauritius in the field of information and communication technology will be inaugurated during my visit.

I look forward to an exchange of views on regional and international issues on which both countries have traditionally shared common perceptions. We see Mauritius as a friendly gateway to the African continent and an invaluable partner at multilateral fora.



443. Address by Prime Minister Dr. Manmohan Singh to the Mauritian National Assembly.

Port Louis, March 31, 2005.

Hon'ble Speaker, Distinguished members of the National Assembly
Ladies and Gentlemen,

I would like to thank you for your most gracious words of welcome as also for honouring me with the opportunity to address this august House.

This Assembly stands tall, symbolising the resolute commitment of the Mauritius people to representative democracy. The remarkable success of the Mauritius democratic experience seems doubly impressive, given the immense diversity of the multi-lingual, multi-ethnic, multi-religious character of your people. Demographic and social diversity is not an obstacle to democracy but rather it is its essential counterpart.

The natural tendency of our times is towards pluralism within a framework that ensures an inclusive polity and a caring society. There is growing awareness that globalization requires, and in fact demands, an expanding terrain of open, inclusive and diverse societies co-existing in harmony and inter-dependence. Our success in ushering a new paradigm of a cooperative international order depends on the success we achieve in expanding space for multi-cultural societies living in peace and prosperity.

India and Mauritius should lead the way in showing history and humankind that pluralism works, that pluralism is the order of the day and that in embracing pluralism we embrace global security. We live in a world where pluralism is buffeted by forces which are inimical to peaceful coexistence and harmonious relationships within societies. India and Mauritius, through the rich and successful experience of managing diversity and pluralism in an inclusive framework, stand out as beacons of hope for the future.

I would like to take this opportunity to pay tribute to the memory of Sir Seewosagur Ramgoolam, a visionary Statesman, who embodied the best values of a global citizen. Not only was he the Father of the Mauritius nation but was also a cherished friend of India. The imprint of his personality is still visible in the bonds that unite our peoples.

Sir Seewosagur Ramgoolam has been the founder of a unique experiment in democratic governance and institution building in a society characterized by exceptional diversity, phenomenal barriers to trade with the rest of the world in terms of sheer distances and constraints imposed by limited natural resources. This unique experiment has flowered and blossomed in a manner not easily foreseen when it was begun. Despite considerable odds, Mauritius has demonstrated to the world that through hard work and enterprise, it is possible to build a rainbow nation based on a robust democratic record, social harmony and provide respectable standards of living for its people.

An authoritative study by the IMF examining alternative explanations for economic growth, terms this as the "Mauritian Miracle". It attributes the miracle to your success in managing diversity through appropriate institutional responses. This is today quoted widely as an example of the importance of institutions in nation building. The credit goes to Sir Seewosagur and the founding fathers of your nation for setting in motion processes which the rest of the world looks up to with admiration. We in India rejoice in the success of Mauritius, particularly because of the many bonds of kinship which we share with you.

India and Mauritius are inextricably knit together by abiding bonds of friendship, cultural, religious and shared historical experience. In India, we are marking the 75th Anniversary of Mahatma Gandhi's historic Dandi March. Mauritius celebrated its National Day on March 12. What better testimony can there be to the closeness and special bonds between our two countries? It will be an honour for India to be associated with the refurbishment of the Apravasi Ghat, a site visited by Gandhiji, which truly deserves to be a World Heritage Site.

Our bilateral relations are manifested in the exceptionally rich lodes of bilateral cooperation on which we draw, and equally but also in the common positions that we have adopted with respect to most of the pressing issues before the international community. We hold the well being and development of Mauritius as among our highest foreign policy priorities.

We take joy and pride in your achievements and pledge once again that our historical bonds of friendship place on us the duty to carry forward our cooperation in this still young century.

On the economic front, Mauritius has grown on an average of 5 to 6% over the last decade. This robust performance helped by your remarkable sugar and textile industries and your enviable tourism sector is in no small measure due to the outstanding leadership provided by successive Governments of the Republic.

Even as we celebrate the abiding warmth of our ties and success of our existing collaboration, we must be conscious that winds of change are blowing across our world. The relentless forces of globalization provide challenges as well as new opportunities. India and Mauritius are both affected by these winds of change and we need to prepare ourselves to meet these new challenges. Mauritius has embarked on a remarkable effort to reinvent itself in the face of a fast changing international environment - nurturing new skills, diversifying into high value added products and services and by anchoring itself into the wider regional markets. This provides both our countries opportunities to engage in mutually beneficial economic cooperation whereby we can build on our complementary strengths to achieve our common goal of building prosperous societies.

During my present visit, we are further augmenting the existing architecture of cooperation, by concluding agreements in various fields. The proposed Comprehensive Economic Cooperation and Partnership Agreement between India and Mauritius will turn a new leaf in our bilateral relationship. We have accepted the recommendations of the Joint Study Group and have agreed to constitute an Empowered Negotiating Team to translate these into reality. I am confident that the Free Trade Agreement around which this partnership agreement is to be anchored becomes the harbinger of a deeper economic relationship between our countries.

Mr. Speaker, I would like to reassure this august House that India, as always, will continue to stand by the side of Mauritius in this brave and glorious venture, as you make a transition to new strengths and capabilities in your country's economy.

One of the key new economic sectors that you have identified as vital to the growth and prosperity of your country is Information Technology. The Cyber Tower, which it will be my pleasure to inaugurate later, is yet another example of what Mauritius and India can build together.

Human Resource Development is a key tool for national development. We will help Mauritius establish Institutions of Excellence, on the lines of the best Technology and Medical Institutions in our country. The ITEC programme will be expanded in a manner that suits the requirements of Mauritius.

Similar collaborative ventures are possible in health, pharmaceuticals, education, professional training, finance and management and small and medium enterprises.

The vast Mauritian Exclusive Economic Zone is largely an unexplored asset. India will support Mauritius in ensuring the security and sovereignty of its land and maritime territory.

Mr. Speaker, our partnership is vital to meeting the multifarious challenges of the new millennium. The catastrophic effects of the Tsunami on December 26 last year, once again brought into sharp focus the vulnerability of Small Island Developing States and low lying coastal areas to natural disasters. We thank Mauritius for its solidarity and support extended to the victims of Tsunami.

These events were a grim reminder that the international community needs to act expeditiously in order to assist Small Island Developing States in dealing with their special circumstances and vulnerabilities including building their national capacities in their efforts to meet the challenge of adaptation to climate change and sea level rise.

During his address to the Pan African Parliament last year, the President of India proposed that all countries of the African Union be connected by the seamless and integrated satellite and fiber optic network to be provided by India at an initial cost of \$ 50 million.

We are happy that Mauritius will be one of the countries in this connectivity mission. We have great regard for the leadership of Mauritius in the launch and functioning of Indian Ocean Rim Association of Regional Cooperation, the South African Development Community and in the African Union. Even as Mauritius deepens its economic linkages with neighbouring markets, we see our economic relationship with Mauritius as a mutually beneficial partnership which will enable both our countries to benefit from an expanding circle of economic relationships.

Mr. Speaker,

We believe that the UN is the critical link in cooperative multilateral efforts to manage the challenges of global interdependence. India has the will and the capacity to be a Permanent Member of the Security Council.

Our membership will enhance the Security Council's effectiveness, credibility and legitimacy. We deeply appreciate the long standing and consistent stand taken by Mauritius in support of India's candidature as permanent member of the United Nations Security Council. Mr. Speaker, our shores are washed by the waters of the same ocean. In an interdependent world, the destinies of our countries are inter-twined. Indian immigrants have travelled far and wide to seek a livelihood in distant lands but they are never distant from our minds or from our affections. Mauritius occupies a special place in this regard. On behalf of the Government and people of India, I would like to pledge the continued friendship and commitment to the well being and prosperity of Mauritius.

Once again thank you for giving me the high honour of addressing this distinguished Assembly.



444. Press conference by Prime Minister Dr. Manmohan Singh during his visit to Mauritius.

Port Louis, April 1, 2005.

Dr. Manmohan Singh: My visit to Mauritius has been a very special experience for me. I find that my meetings with the great Indian Diaspora are a source of inspiration and rejuvenation.

I am therefore very happy that my first bilateral visit abroad since I became Prime Minister ten months ago has been to Mauritius.

This was a visit that has been overdue and I am happy that I have been able to use the time available during the recess in our Budget Session to visit Port Louis.

India's relationship with Mauritius is unique – uniquely close, and I believe, mature. We have strong self-evident compatibilities, and we benefit from the presence in Mauritius of a strong and self-confident community of persons of Indian origin.

During the visit, I affirmed to my hosts that the special quality of our relations with Mauritius is cherished by all Indians.

I began my visit with paying tribute to the memory of Sir Seewoosagar Ramagoolam, a committed patriot, the Father of Mauritius and a devoted friend of India. I called on President Jugnauth, and on Prime Minister Berenger, with whom I also hold delegation-level talks. A short while ago, I met the Leader of the Opposition Dr. Naveen Ramgoolam and the Deputy PM Mr. Pravind Jugnauth. I shall meet the Chief Justice and the Foreign Minister shortly.

A joint statement is being issued which sets out the different issues we have discussed, so I shall not repeat those details. However, I would like to mention that India and Mauritius have agreed to mandate an empowered negotiating team to negotiate within twelve months a comprehensive Economic Cooperation and partnership Agreement. This Agreement will reflect the best possible complementarities in the strengths of both our economies and explore the vast possibilities that exist for enhancing cooperation in trade in goods and services and promote investment flows. The CECPA can be anchored around a Free Trade Agreement covering these three areas. While being consistent with our multilateral commitments, CECPA will facilitate closer interactions of our economies and also facilitate exploration of opportunities in third countries. I have every confidence that this Agreement will transform our economic interactions to a qualitatively higher level and consolidate our strategic partnership with Mauritius.

I want to underscore some broad points about the objectives of my visit and then I shall take your questions.

I have spoken a minute ago about the special relations between India and Mauritius. Regular exchanges of high-level visits between our two countries reinforce this relationship and I wanted to maintain that pattern.

Our privileged relationship with Mauritius encompasses our contacts with the Mauritian Indian community. Several engagements today were

oriented to paying tribute to and saluting this impressive group. My visit to the Aapravasi Ghat and the Civic Reception with which the Mauritian Indian community honoured me this morning have touched me.

Our particular economic ties with Mauritius have been a significant part of our relationship. During my visit, the dedication of the Swami Vivekananda International Convention Centre and the inauguration of the Cyber Tower, both of which were constructed with Indian assistance, will give a forward looking orientation to our economic ties. Mauritius is a significant tourist destination and aspires to become a knowledge hub – with strengths in IT and services; these two projects are fashioned to serve those objectives. I have assured Mauritius that India will provide all possible assistance in meeting the challenges of globalisation.

I was privileged to address the Mauritian Parliament yesterday, following my predecessors, Smt. Indira Gandhi, Shri Rajiv Gandhi and Shri Atal Bihari Vajpayee. This was an honour done not just to me but to the values of democracy and pluralism that both India and Mauritius represent. I want to draw your attention to what I think is a very important aspect. India is a vibrant and successful democracy committed to plural values. Mauritius, with its talented and successful Mauritian Indian community represents those same values. I would like to think this represents the Indian genius in a very striking and valuable manner, which holds lessons for other nations and regions.

Question : Pankaj Vohra, *Hindustan Times* : Will the PM's visit have any impact on the domestic politics?

Answer : My visit is not in any way intended to influence the domestic politics of Mauritius. That is entirely the concern of the people of Mauritius. So my visit in no way should be connected with that sort of thing.

Question : Thangavel, *Dinamani* : Is it true that some Kashmir based militant groups are operating from Mauritius?

Answer : Well I don't think I should answer these questions which are not related to Mauritius. But these security matters, I think they have discussed with various security agencies. I don't want to get involved in these matters.

Question : Kasturi Venugopal, *The Hindu* : Are you happy with the state of Mauritian economy?

Answer : Well, I am no authoritative commentator on the state of Mauritius economy. We are taking a long-term view. Mauritius has achieved phenomenal success in transforming its economy. There are I think problems, arising out of structural changes taking place in a globalized economy, the relationship between European union, the preferential arrangements of sugar and others. They are now under question, there is a question mark. And the solution is to push ahead with structural reforms, to diversify the economy of Mauritius. To make it less dependent on sugar. And our participation, the Vivekananda Center and the Cyber Tower are manifestations of the directions in which the economy of Mauritius is moving and we will provide all possible help to Mauritius to diversify its economy, to become a regional hub as far as knowledge industry is concerned. Whether it is education or health or other related services we will be very happy to be of help depending upon Mauritius' own felt needs and priorities.

Question : P. Mohan Das, UNI : Mauritian Government has a free visa regime with India. Do we plan to reciprocate?

Answer : That's a suggestion for action. I think you have brought a very important point to me and when I go back I will apply my mind to it. I sincerely believe that the people of the Indian origin should be able to travel to India without much hassles and I will work in that direction.

Question : K. Venugopal, *The Hindu* : You mentioned that you need 12 months to negotiate to get a free trade agreement going. Why do you need so much of time?

Answer : Well, 12 months is an outer limit. They can do it much earlier. So, they are very welcome to finalize the arrangements much before the 12 months. They are not stopped from doing that.

Question : *The Tribune* : Mauritius has reached a stage of development where it seems that it does not need the support of India. Do you subscribe to that view?

Answer : Well, I think what Mauritius needs and what Mauritius expects from us, we will be very responsive to the felt need of the people of Mauritius. If there are any areas where the government of Mauritius feels that they need our help we would be forthcoming. It is not our intention to thrust any

of our advice or insist that particular sectors require our help. The decisions must be made entirely by the government and the people of Mauritius, we will stand ever ready to help.

Question : Jayanta Ghosal, *Anand Bazar Patrika* : It has taken a very long time to settle the issue of “political prisoners” in Mauritian jails. What are the causes for delay?

Answer : I didn't have a chance to discuss this matter. When I go back I will discuss with the foreign office what can be done in this matter. This is not a subject matter which I discussed during my visit this time.

Shri P.S. Haer: High Commissioner of India to Mauritius: I had a chance to brief the press yesterday. The present position is that an agreement is ready for signatures. In Delhi we have to take cabinet approval that is the only step pending after which the signatures on the agreement will be accorded. The drafts when it was received was cleared in Delhi and was sent here. It was just a few days back that we received the comments of the Mauritian side, which has now been cleared by both sides. As soon as we get cabinet approval in India, the document will be signed and after that it will be just logistics to send the prisoners back. They are not political prisoners. They are serving long term sentences based on drugs smuggling.

Question : K Venugopal, *The Hindu* : India gave a line of credit for 100 million dollars to Mauritius out of which perhaps only 28 million dollars have been used. Are there any other projects...*inaudible*...?

Answer : I was told that the government of Mauritius would like to expand the facilities in the cyber city and that they are thinking in terms of another cyber tower. I am sure that in that case we will be very happy to help that project also to go forward.

Question : Seema Mustafa, *The Asian Age* : On the threat to Srinagar Muzaffarabad bus service especially to the passengers...*inaudible*...

ANSWER : I think it is the solemn obligation of both the governments to work towards that objective to ensure the safety and security of all passengers so that they return home safely.

Question : Radhika Mukherji, *The Telegraph* : a controversy over the Pakistan cricket match. Will it cast a shadow ...*inaudible*...?

Answer : No. These are minor hiccups. We will I think overcome this. The caravan will move on.



445. Speech by Prime Minister Dr. Manmohan Singh at the inauguration of Ebene Cyber Towers, Mauritius.

Port Louis, April 1, 2005.

President Aneerood Jugnauth, Prime Minister Raymond Berenger, Deputy Prime Minister Pravind Jugnauth, Leader of Opposition Navin Ramgoolam, Minister of Information Technology and Communication Deelcahnd Jeeha, Chairman of Business Parks of Mauritius Chand Bhadain, my colleague Dayanidhi Maran, Ladies and Gentlemen,

It is for me a great honour and real privilege to be in Mauritius. The natural splendour of your beautiful island country and the presence of a large number of people of Indian origin make my visit to Mauritius a truly memorable one. From the day I and members of my delegation arrived in Mauritius, we have felt the warmth of your affection in your welcome, which is an expression of age-old ties and enduring friendship, cooperation and understanding between our two countries. I must express my warmest thanks to all of you and at the same time convey to you the greetings and goodwill of entire Indian nation.

Mauritius looks upon its citizens as a great treasure of human resource. Their immense contribution to nation building has resulted in the emergence of Mauritius as a modern nation, with a vibrant society and a buoyant economy. We in India are justly proud of your remarkable achievements in all these respects shaping the destiny of Mauritius and scripting a story of highly successful post-colonial development. You have been able to harness the varied resources of many languages, many religions and many ethnic groups to create a pluralistic and democratic Mauritius. We salute you for what you have achieved. The world salutes the unique Mauritian personality which is a fine product of the harmonious coexistence of races, religions and cultures, all the people working together to build a new chapter of development and social harmony.

Ladies and Gentlemen,

The Ebene Cyber Tower symbolizes new India's new relationship with a new Mauritius. This symbolizes the strategic partnership of both our countries in the IT sector and I sincerely heralds the launch of Mauritius as a centre of IT excellence. This cyber tower will create enormous opportunities for Business Process Outsourcing and for development of software solutions. I congratulate the Honourable President of Mauritius Sir Aneerood Jugnauth and Prime Minister Paul Berenger for the successful realization of their dream. Their emphasis on using science and technology as a major input into development is truly far-sighted and its results are already visible here and now. The multi-lingual abilities of the Mauritian population will be an invaluable asset for tapping the outsourcing market of not only the English-speaking world but also that of the Francophone clientele.

Ladies and Gentlemen,

We are living in an era of globalisation and an era when barriers to trade are falling rapidly. In this era, past trading relationships are getting altered rapidly and traditional trade baskets have to necessarily adjust speedily to meet new requirements and new opportunities on the horizon. Given this dynamism in trade relations, nations no longer have the comfort of secure markets and static export profiles. The challenge then before all nations is to restructure their economies to become more competitive, to become more broad based, to become more skilled and more flexible in order to meet emerging requirements. I believe that as global economic integration proceeds further, it is this common vision, which will form the basis of cooperation between countries.

Mauritius has made it a priority to rebuild and reshape its economy in this new order. We in India are also working relentlessly to reshape our economy to meet new challenges. What you have achieved in your own way in promoting liberalisation and reform is a success story that the whole world admires. What you have achieved in this context of economic liberalization is a success story, admired globally. It is in this context that the field of Information Technology forms an excellent platform for enhancing our economic cooperation and taking it into a new plane. Over the last two decades, the IT and knowledge sectors have grown phenomenally in India and have been a major contributor to our growth processes. These sectors have been built on the deep skills base built up since our independence.

We hope that they continue to be in the vanguard of the transformation of the Indian economy. We look forward to contributing to and strengthening the efforts of Mauritius in developing the Information Technology sector as a major growth engine of the future. The challenging effort of fulfilling the aspirations of our two people has been given meaning and content through such cooperative ventures like the one I am inaugurating today.

In this context, the Ebene Cyber Tower is only a first step. I am told that there are plans for further such towers and complexes. You have my assurance that we look forward to cooperating more in this field so that our countries can take our economic relationship to still greater heights, linked by a web of virtual networks and business relations.

Ladies and Gentlemen,

National development requires harnessing the full potential of science and technology. Recognizing the importance, Prime Minister Jawaharlal Nehru laid the foundations of a new scientific temper for a new modern India, the benefits of which our country is reaping today. I am glad that a similar process is at work in this great country and I congratulate the wise leadership that Mauritius has had in completing its phase of transition. Technology is a great liberator for it enables a larger number of people to participate in and benefit from processes of development. In a globalized world, technology is also a unifying force bringing together market and producer, and eliminating the constraints of geographical distance and lack of natural resources. Globalization demands new strengths and capabilities and you have our assurance that India is fully committed to stand by Mauritius in meeting these challenges in this vital area.

Our strategic partnership in new and modern technologies will open up new opportunities for education and employment for our youth and augment the growth process in both our countries. The expanding scope of cooperation in field of information technology has upgraded the level of bilateral contacts to frontier areas of science and technology and made us genuine partners in the digital sphere.

While the establishment of facilities for information and communication technologies is important to generate impulses for progress, it must be accompanied by the building up of capacities in other areas as well. This should include educational and training facilities, at a level

commensurate with the best international standards. This is essential, since the progress of any nation today depends greatly on the quality of its human resources. Mauritius can count on the support of India for this endeavour. Let us all come together to make India and Mauritius genuine partners in this quest.

Ladies and Gentlemen,

Before I end, I want to note that this is a project which has benefited enormously from the goodwill of all Mauritian leaders. I appreciate Prime Minister Berenger for being here today and thank him for inviting me to this event. I know that President Jugnauth has lent his full support to the Cyber Tower all the while it was being planned and built. The project was conceived in the year 2000 when Dr. Ramgoolam led the Mauritian Government and I am thankful for his support to this project in its early days. I want to express appreciation to all these towering and wise leaders of Mauritius.

With these words, I commend this new Cyber Tower to the fraternal and brotherly people of Mauritius. May this be the home for many, many successful endeavours between our two nations.

Jai Mauritius, Jai Hind!



446. Joint statement issued at the conclusion of the state visit of Prime Minister Dr. Manmohan Singh to Mauritius.

Port Louis, April 2, 2005.

His Excellency Dr. Manmohan Singh, Prime Minister of the Republic of India paid a state visit to Mauritius from 30 March to 02 April 2005, at the invitation of the Honourable Paul Raymond Bérenger, Prime Minister of Mauritius.

2. The Prime Minister of India was accompanied by his spouse, Smt. Gursharan Kaur, Honourable Shri Dayanidhi Maran, Minister of Communications and Information Technology and a high-level delegation comprising senior officials. During the visit, the Prime Minister of Mauritius held a Banquet in honour of the Prime Minister of India while a lunch was

hosted for him by Sir Anerood Jugnauth, the President of the Republic of Mauritius.

3. The Prime Minister of India received Honourable Pravind Kumar Jugnauth, Deputy Prime Minister and Minister of Finance and Economic Development, Dr. Navinchandra Ramgoolam, Leader of the Opposition, His Lordship the Chief Justice, Honourable Ariranga Pillay and the Honourable Jaya Krishna Cuttaree, Minister of Foreign Affairs, International Trade and Regional Co-operation. The Prime Minister also addressed a Special Session of the National Assembly of Mauritius.

4. During the visit, the Prime Minister of India placed a wreath on the Samadhi of Sir Seewoosagur Ramgoolam at the Pamplemousses Garden. He also placed a wreath at the Aapravasi Ghat and unveiled a commemorative plaque in homage to Indian immigrants to Mauritius. In addition, the Prime Minister of India unveiled a plaque at the Swami Vivekananda International Convention Centre, Domaine Les Pailles, dedicating it to the People of Mauritius, in the presence of the Honourable Prime Minister of Mauritius. He inaugurated the Cyber Tower at Ebene in the presence of the President and the Prime Minister. The substantial financial and technical assistance provided by India to Mauritius for the establishment of these high-technology facilities was much appreciated by the Mauritian side.

5. The two Prime Ministers held talks on bilateral, regional and international issues. The talks were held in a highly cordial atmosphere and both sides reaffirmed their commitment to strengthen their cooperation both at the bilateral as well as multilateral level.

6. The Prime Minister of Mauritius warmly welcomed the visit of the Indian Prime Minister and said that India and Mauritius were closely linked together in the past and would so remain in future. He described ties with India as sacred and umbilical and repeatedly stressed the overwhelming importance of India to Mauritius. He further recalled that his first official bilateral visit as Prime Minister had been to India. The Prime Minister of India, on his side, warmly reciprocated these sentiments and affirmed that Indo-Mauritius ties were special, multi-faceted and that India was a privileged partner in the overall economic development of Mauritius. The Prime Minister of India pointed out that this was also his first foreign bilateral visit since the

assumption of his office, which testified to the significance which India attached to its relationship with Mauritius. The Prime Minister reiterated India's commitment to progress and development of Mauritius and referred to the fact that both Mauritius and India were wedded to democracy, secularism and basic human freedoms. The Prime Minister of India stated that India wanted an engagement with Mauritius which is not ordinary or which is a mere economic relationship.

7. India and Mauritius acknowledged the role of the WTO in the context of the evolving multilateral trading system and globalisation. Both countries affirmed that the economic interests of developing countries, including small island developing states, should be adequately safeguarded in the ongoing multilateral trade negotiations. They also reviewed the state of play and ongoing selection process with respect to the post of Director General of the WTO, having due regard to the discussions held between them in New Delhi and in Port Louis, and the very special relations between India and Mauritius.

8. The Prime Minister of India conveyed India's acceptance of the report by the 'Joint Study Group on Comprehensive Economic Cooperation and Partnership Agreement'. Both sides agreed to the setting up of a high-powered negotiating team with a view to processing and finalising the recommendations of this report within a twelve-month period. The Prime Minister of India expressed the hope that this would lead to a Free Trade Agreement and result in a closer integration of economies of India and Mauritius and to the establishment of joint ventures in third countries. The Prime Minister of Mauritius also assured the Indian side that he would personally ensure that Indian investors were given every facility for making investments in Mauritius on a level playing field. He also assured that measures had been taken to ensure that the provisions of the Double Taxation Avoidance Agreement were not misused. In this context, India reassured Mauritius that no action would be taken by it that hurts the Mauritian economy, in particular its financial services sector.

9. In the field of defence and security the Prime Minister of Mauritius thanked India for the generous assistance provided by it to Mauritius so far in this sector. The Prime Minister of India reiterated India's commitment to defence, security and sovereignty of Mauritius. The Prime Minister of Mauritius requested India to supply it with defence equipment needed to

strengthen its naval and air surveillance capabilities. Responding positively to this proposal, the Prime Minister of India noted the request made by the Mauritius side and conveyed that detailed discussions for supply of requisite defence equipment to Mauritius would be positively considered.

10. The Prime Minister of India proposed that India would be willing to carry out a survey of the EEZ of Mauritius to explore the existence of hydrocarbon reserves. The Prime Minister of Mauritius responded positively to this offer and said that Mauritius would be keen to work with India not only for joint survey and research but also for joint exploitation of these resources. India and Mauritius also agreed to promote cooperation in the areas of renewable energy resources and environmental protection as well as between their respective State Trading Corporations.

11. The Prime Minister of India promised all assistance to Mauritius for its transformation into a knowledge hub in the fields of medicine, engineering, IT and agreed to give due consideration to proposals for the setting up of centres of excellence in Mauritius in association with quality Indian educational institutions. He expressed the wish that Mauritius would establish itself at the frontiers of Science and Technology.

12. The Indian side reiterated its commitment towards capacity building and development of Human Resources in Mauritius. In this context, the Indian Prime Minister announced that the number of training slots offered annually to the Government of Mauritius under the Indian Technical and Economic Cooperation (ITEC) programme would be raised to 75.

13. The Prime Minister of Mauritius warmly thanked India for the assistance provided in the IT sector and especially in the construction of the Cyber Tower, underlining that the IT sector was being regarded as the fifth pillar of the Maturation economy. He said the construction of the Cyber Tower had created optimism and hope among the young people of Mauritius and that Mauritius was now engaged in building a second cyber tower for which the Prime Minister of India assured him of any assistance that may be required.

14. Both sides reviewed the progress for the establishment of the World Hindi Secretariat. The Prime Minister of India briefed the Mauritius side about the steps taken by India for the implementation of this project and the nomination of two Hindi scholars on the Governing Council of the Secretariat.

15. The Prime Minister of Mauritius informed the Indian side that Mauritius planned to purchase Electronic Voting Machines (EVM) from India. He said that their procurement would not be possible before the forthcoming elections. However, he expressed his confidence that they would certainly be procured by Mauritius subsequently, upon consensus being reached among all stakeholders. The Prime Minister of India expressed his happiness over the proposed acquisition of EVMs by Mauritius.

16. Both sides commended the successful conclusion of the Bilateral Air Services Agreement between the two countries and recognised it as a major breakthrough. It has been agreed that Air Mauritius will now operate up to 14 weekly flights to four points in India and two points beyond, namely Karachi, Beijing or Shanghai. The airline(s) designated by India will be granted 5th freedom Traffic Rights on the Mauritius/South Africa route to two points in South Africa. It was recognized that these measures would give a major boost to the tourism sector in both the countries.

17. It was also decided that India would provide all possible assistance to Mauritius for the development of its Small and Cottage Industries sector. It was noted that India possessed considerable expertise in this arena.

18. Mauritius reiterated its solidarity with India in the wake of the Tsunami disaster in December 2004. The Indian Prime Minister thanked Mauritius for its sympathy and solidarity. Both sides noted that the Second High Level UNESCO International Coordination Meeting for the development of a Tsunami Warning and Mitigation System for the Indian Ocean, during which the modalities for the setting up of an Early Warning System in the Indian Ocean will be discussed, would be held in Mauritius later this month. Mauritius thanked India for its support in making this possible.

19. The Prime Minister of Mauritius referred to the holding of the first meeting of the India-SADC Forum in the near future and expressed the keen desire of Mauritius for the promotion of cooperation between India and SADC. The Indian Prime Minister on his side fully reciprocated these sentiments and said that India too desired to enhance and strengthen its relationship with SADC.

20. India reiterated its total support to Mauritius for the restoration of its sovereignty over the Chagos Archipelago. The Prime Minister of Mauritius thanked India for its long-standing and unwavering stand in this regard.

21. The Prime Minister of India thanked Mauritius for its consistent and strong advocacy of India's candidature for a Permanent Seat in the UN Security Council. The Prime Minister of Mauritius reiterated the support of Mauritius to India's candidature.

22. Mauritius and India condemned the scourge of terrorism in all its forms and manifestations and reaffirmed their total engagement in the global coalition in the fight against terrorism under the aegis of the United Nations.

23. It was noted that discussions on the Agreement on the Transfer of Prisoners had reached the stage of finalisation. After its signature by the two sides, it would provide an enabling framework for the transfer, into the custody of Indian Authorities, of the thirty-two Indian nationals who are presently serving sentences for criminal offences in Mauritian prisons.

24. During the visit, the following four agreements /MOUs were signed:

- (i) Agreement on Cooperation to combat Terrorism,
- (ii) MOU relating to Bilateral Air Services Agreement
- (iii) Agreement on Cooperation in the field of the Protection of the Environment.
- (iv) MOU for an EXIM Bank line of credit for the Baie du Tombeau Sewerage Project.

25. The two Prime Ministers expressed complete satisfaction at the outcome of the visit and agreed that it would give a major boost to bilateral ties between the two countries.

26. The Prime Minister of India expressed his deep gratitude to the Government of the Republic of Mauritius for the warm hospitality provided to him and his delegation and the excellent arrangements made during his visit. He extended an invitation to Honourable Paul Raymond Bérenger, Prime Minister of the Republic of Mauritius to visit India. The invitation was accepted with pleasure. The dates of the visit would be finalized through diplomatic channels.



447. Press statement on India – Mauritius talks on a Comprehensive Economic Cooperation Partnership Agreement.

New Delhi, August 9, 2005.

India and Mauritius held the first round of talks on a Comprehensive Economic Cooperation and Partnership Agreement (CECPA) here yesterday. The meeting took place between Empowered Committees of the two sides in keeping with the decision taken during the official visit of the Prime Minister of India to Mauritius in March-April, 2005. The Indian delegation at the talks was headed by Shri S.N.Menon, Commerce Secretary and comprised senior officials of the concerned Ministries, while the Mauritian delegation was headed by Mr. Anand Prijay Neewoor, Secretary of Foreign Affairs, Republic of Mauritius, who was assisted by a high powered team.

According to a joint statement issued by the two sides after the meeting, relations between India and Mauritius have traditionally been very close and warm, based on common cultural heritage and ties of kinship and India attaches great importance to its relationship with Mauritius which is reciprocated fully by the Mauritian side. In order to further strengthen and consolidate their bonds and to promote cooperation between the two countries in the economic, commercial and other fields, it was decided at the highest political level to formulate a Comprehensive Economic Cooperation and Partnership Agreement between the two countries in an expeditious manner.

During the meeting, both sides discussed the modalities of implementing this decision. Both recognised that investment and economic cooperation would be a key plank of the CECPA. It was noted that though Indian investments in Mauritius had been increasing in the recent past, these continued to be well below their potential. Mauritius highlighted that, in view of its core competencies, strategic location and trade agreements at multilateral and regional levels, it could serve as a hub for Indian investors not only for the Mauritius market but also to access other markets through its various trade agreements.

The study commissioned by the Government of Mauritius with the EXIM Bank of India identified several areas of investment by the Indian corporate sector. These include tourism, health, education and knowledge,

financial services and ICT in addition to small and medium enterprises (SMEs) development, specific areas of manufacturing and capacity building. It was noted that a key objective of Mauritius was to transform itself into a Centre of Excellence to meet its own needs and those of the region.

CECPA would lay down the road map as well as modalities for encouraging Indian investments in Mauritius and joint India-Mauritius investments into the region. CECPA would provide the institutional and facilitative framework to incentivise Indian investments and achieve this objective.

The Mauritian side looked forward to increased flow of Indian investment and transfer of technology and know-how, which should accelerate the process of economic development. The Indian side expressed its keenness to foster and promote relations with Mauritius in diverse areas.

At the end of the discussions, both sides recognised that ample opportunities existed for further enhancing the cooperation between the two countries in a mutually beneficial manner within the framework of the proposed CECPA.

The Mauritian side agreed to host the next meeting for the CECPA in Mauritius in the near future.



448. Memorandum of Understanding (MOU) between the Government of the Republic of India and the Government of the Republic of Mauritius on the need to conclude a Preferential Trade Agreement.

New Delhi, October 24, 2005.

The Governments of the Republic of India and Republic of Mauritius;

Bearing in Mind the long standing friendship between them in political, economic, cultural and social spheres;

Considering that the expansion of their domestic markets, through economic integration, is a vital prerequisite for accelerating their processes of economic development;

Bearing in mind the desire to promote mutually beneficial bilateral trade;

Convinced of the need to establish and promote free trade for strengthening intra-regional economic cooperation and the development of national economies;

Are committed to take the bilateral economic and commercial relations to a new height in the following manner:

They recognise the imperative of establishing a Preferential Trade Agreement between them with the objective of promoting bilateral trade by granting tariff concessions on products of their mutual interest.

They noted that the negotiations on the main text of PTA have been finalised. The negotiations on the Texts of Rules of Origin, Operational Certificate of Procedures, Safeguard Measures are at an advanced stage. The negotiations on Product Lists are in progress.

They recognised that the remaining issues and necessary internal procedures are likely to be finalized soon.

They Governments of both countries reaffirmed that they are committed to ensure that the Agreement is concluded and comes into force early next year.

In Witness Whereof the undersigned being duly authorized thereto by their respective Governments have signed this MOU.

Done in the city of DELHI on this the 24th October, 2005.

(S. N. Menon)
Commerce Secretary
Govt. of the Republic of India

(A. P. Neewoor)
Foreign Secretary
Govt. of the Republic of
Mauritius



449. Agreement between the Government of the Republic of India and the Government of the Republic of Mauritius on Mutual Legal Assistance in Criminal Matters.

New Delhi, October 24, 2005.

The Republic of India and Republic of Mauritius (hereinafter referred to as Contracting States);

Guided by the traditional friendly relations between the two countries;

Recognizing the need to facilitate the widest measures of mutual assistance in the service of summons, execution of warrants and other judicial documents and commissions;

Desiring to improve the effectiveness of both countries in the suppression, investigation and prosecution of crime, including crime relating to terrorism and tracing, restraint, forfeiture or confiscation of the proceeds and instruments of crime, through cooperation and mutual legal assistance in criminal matters;

Have agreed as follows:

Article 1
Scope of Application

1. The Contracting States shall, in accordance with this Agreement, provide each other with the widest measure of mutual legal assistance in criminal matters.
2. Mutual legal assistance is any assistance given by the Requested

State in respect of investigations, prosecutions or proceedings to the Requesting State in criminal matters, irrespective of whether the assistance is sought or is to be provided by a court or some other authority.

3 Assistance includes -

- (a) locating and identifying persons and objects;
- (b) serving documents, including documents seeking the attendance of persons;
- (c) providing information, documents and records;
- (d) providing objects, including lending exhibits;
- (e) search and seizure;
- (f) taking evidence and obtaining statements;
- (g) authorizing the presence of persons from the Requesting State at the execution of requests;
- (h) making detained persons available to give evidence or assist investigations;
- (i) facilitating the appearance of witnesses or the assistance of persons in investigations;
- (j) taking measures to locate, restrain or forfeit the proceeds of crime; and
- (k) any other form of assistance not prohibited by the law of the Requested State.

4. Agreement shall also apply to any requests for legal assistance relating to acts or omissions committed before its entry into force.

Article 2 Definitions

For the purpose of this Agreement -

1. "Criminal matters" means, for the Republic of India, investigations, inquiries, trials or other proceedings relating to an offence created by

Parliament or by the legislature of a state and for the Republic of Mauritius, 'criminal matters' means, subject to the laws of the Republic of Mauritius, investigations, inquiries or other proceedings relating to a statutory offence.

2. Criminal matters shall include investigations, prosecutions or proceedings relating to offences concerning taxation, duties, customs and foreign exchange

Article - 3 Central Authorities

The Central Authorities shall transmit and receive all requests for the purposes of this Agreement. The Central Authority for the Republic of India is the Ministry of Home Affairs and the Central Authority for the Republic of Mauritius shall be the Attorney General.

Article - 4 Execution of Requests

1. Requests for assistance shall be executed promptly in accordance with the law of the Requested State and, in so far as not prohibited by that law, in the
2. The Requested State shall upon request, inform the Requesting State of the date and place of execution of the request for assistance.
3. The Requested State shall not refuse to execute a request on the ground of bank secrecy, save as may be authorized by law.

Article - 5 Contents of Requests

1. In all cases, requests for assistance shall indicate -
 - (a) the name of the competent authority conducting the investigation, prosecution or proceedings to which the request relates;
 - (b) the nature of the investigation, prosecution or proceedings, and include a summary of the facts and a copy of the applicable laws;
 - (c) the purpose of the request and the nature of the assistance sought;
 - (d) the degree of confidentiality required and the reasons therefor; and

- (e) any time limit within which the request should be executed.
2. In the following cases, requests for assistance shall include:
- (a) in the case of requests for the taking of evidence, search and seizure, or the location, restraint or forfeiture of proceeds of crime, a statement indicating the basis for belief that evidence or proceeds may be found in the Requested State;
 - (b) in the case of requests to take evidence from a person, an indication as to whether sworn or affirmed statements are required and a description of the subject matter of the evidence or statement sought;
 - (c) in the case of lending of exhibits, the current location of the exhibits in the Requested State and an indication of the person or class of persons who will have custody of the exhibits in the Requesting State, the place to which the exhibit is to be removed, any tests to be conducted and the date by which the exhibit will be returned;
 - (d) in the case of making detained persons available, an indication of the person or class of persons who will have custody during the transfer, the place to which the detained person is to be transferred and the probable date of that person's return; and
 - (e) in case of requests in respect of proceeds of crime/search and seizure, a statement describing the basis of belief that the money or property are the proceeds of crime or are liable for search and seizure.
3. If necessary, and where possible, requests for assistance shall include -
- (a) the identity, nationality and location of a person or persons who is/ are the subject of the investigation, prosecution or proceedings;
 - (b) details of any particular procedure or requirement that the Requesting State wishes to be followed and the reasons therefor.
4. If the Requested State considers that the information is not sufficient to enable the request to be executed, it may request additional information to enable the request to be dealt with.

5. A request for assistance shall be made in writing. However, in urgent circumstances or where otherwise permitted by the Requested State, a request may be made orally but shall be confirmed in writing promptly thereafter.

Article - 6
Refusal or Postponement of Assistance

Assistance may be refused if, in the opinion of the Requested State, the execution of the request would impair its sovereignty, security, public order, essential public interest or prejudice the safety of any person.

2. Assistance may be refused if the execution of the request would be contrary to the domestic law of the Requested State.

3. Assistance may be refused if the request relates to an offence in respect of which the accused person had been finally acquitted or pardoned.

4. Assistance may be refused if the request seeking restraint, forfeiture or confiscation of proceeds of crime or seizure of property are in respect of conduct/activity which cannot be made basis for such restraint, forfeiture, confiscation or seizure in the Requested State.

5. Assistance may be postponed by the Requested State if execution of the request would interfere with an ongoing investigation or prosecution in the Requested State.

6. The Requested State shall promptly inform the Requesting State of its decision not to comply in whole or in part with a request for assistance, or to postpone execution, and shall give reasons for that decision.

7. Before refusing a request for assistance or before postponing the execution of a request, the Requested State shall consider whether assistance may be provided subject to such conditions as it deems necessary. If the Requesting State accepts assistance subject to those conditions, it shall comply with them.

Article - 7
Service of Documents

1. The Requested State shall serve any document transmitted to it by the Requesting State for the purpose of service.

2. The Requesting State shall transmit a request for the service of a document pertaining to a response or appearance in the Requesting State within a reasonable time, before the scheduled response or appearance.
3. The Requested State shall return a proof of service in the manner required by the Requesting State.

Article - 8

Provision of Information, Documents, Records and Objects

1. The Requested State shall provide copies of publicly available information, documents and records of government departments and agencies.
2. The Requested State may provide any information, documents, records and objects in the possession of a government department or agency, but not publicly available, to the same extent and under the same conditions as they would be available to its own law enforcement and judicial authorities, and to the extent that it is not prohibited under the law of the Requested State.
3. The Requested State may provide certified true copies of documents of records, unless the Requesting State expressly requests originals.
4. Original documents, records or objects provided to the Requesting State shall be returned to the Requested State as soon as possible upon request.
5. In so far as not prohibited by the law of the Requested State, documents, records or objects shall be provided in a form or accompanied by such certification as may be specified by the Requesting State in order to make them admissible according to the law of the Requesting State.

Article - 9

Search and Seizure

1. The Requested State shall execute a request for a search and seizure.
2. Search and seizure shall be conducted by the Requested State to the same extent and under the same conditions as would be authorized for

its own law enforcement and judicial authorities, to the extent that the same is not prohibited under the law of the Requested State.

3. The competent authority that has executed a request for a search and seizure shall provide such information as may be required by the Requesting State concerning, but not limited to, the identity, condition, integrity and continuity of possession of the documents, records or objects seized and the circumstances of the seizure.

Article - 10

Taking Evidence in the Requested State

1. A person including a person in custody, requested to testify and produce documents, records or objects in the Requested State may be compelled by subpoena or order to appear, testify and produce such documents, records or objects, in accordance with the law of the Requested State.

2. Subject to the law of the Requested State, commissioners, other officials of the Requesting State and persons concerned in the proceedings in the Requesting State shall be permitted to be present when evidence is taken in the Requested State and to participate in the taking of such evidence in the manner as may be specified by the Requested State.

3. The right to participate in the taking of evidence includes the right to pose questions. The persons present at the execution of a request may be permitted to make a verbatim transcript of the proceedings. The use of technical means to make such a verbatim transcript may be permitted.

Article - 11

Presence of Persons at the Execution of Requests

To the extent not prohibited by the law of the Requested State, persons specified in the request shall be permitted to be present at the execution of the request.

Article - 12

Making Detained Persons Available to give Evidence or Assist Investigations

1. Upon request, a person serving a sentence in the Requested State

shall be temporarily transferred to the Requesting State to assist investigations or to testify, provided that the person consents.

2. When the person transferred is required to be kept in custody under the law of the Requested State, the Requesting State shall hold that person in custody and shall return the person in custody at the conclusion of the execution of the request.

3. When the sentence imposed expires, or where the Requested State advises the Requesting State that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as a person; present in the Requesting State pursuant to a request seeking that person's attendance.

Article - 13

Providing Evidence or Assisting Investigations in the Requesting State

The Requested State shall invite the person to assist in the investigation or to appear as a witness in the proceedings and seek that person's concurrence thereto. That person shall be informed of any expenses and allowances payable.

Article 14

Safe Conduct

1. Subject to Article 12(2), a person present in the Requesting State in response to a request shall not be prosecuted, detained or subjected to any other restriction of personal liberty in that State for any acts or omissions which preceded that person's departure from the Requested State, nor shall that person be obliged to give evidence in any proceeding other than that to which the request relates.

2. Paragraph 1 of this Article shall cease to apply if a person, being free to leave the Requesting State, has not left within thirty (30) days (in the case of the Republic of India) and within ten (10) days (in the case of the Republic of Mauritius) after receiving official notification that the person's attendance is no longer required or, having left, has voluntarily returned.

3. Any person who fails to appear in the Requesting State may not be subjected to any sanction or compulsory measure in the Requested State.

Article 15
Proceeds and Instruments of Crime

1. The Requested State shall, upon request, endeavour to ascertain whether any proceeds or instruments of a crime are located within its jurisdiction and shall notify the Requesting State of the results of its inquiries.
2. When, pursuant to paragraph 1 of this Article, suspected proceeds or instruments of crime are found, the Requested State shall take such measures as are permitted by its law to restrain and forfeit those proceeds or instruments.
3. Proceeds or instruments forfeited or confiscated pursuant to this Agreement shall accrue to the Requested State, unless otherwise agreed.

Article 16
Restitution and Fine Enforcement

The Requested State shall, to the extent permitted by its law, provide assistance concerning restitution to the victims of crime and the collection of fines imposed as a sentence in a criminal prosecution.

Article - 17
Confidentiality

1. The Requested State may require, after consultation with the Requesting State, that information or evidence furnished or the source of such information or evidence be kept confidential, disclosed or used only subject to such terms and conditions as it may specify.
2. The Requesting State may require that the request, its contents, supporting documents and any action taken pursuant to the request be kept confidential. If the request cannot be executed without breaching the confidentiality requirement, the Requested State shall so inform the Requesting State prior to executing the request and the latter shall then determine whether the request should nevertheless be executed.

Article - 18
Limitation of Use

The Requesting State shall not disclose or use information or evidence furnished for purposes other than those stated in the request without the prior consent of the Requested State.

Article - 19
Authentication

Documents, records or objects transmitted pursuant to th's Agreement shall not require any form of authentication, except as specified in Article 8, or as required by the Requesting State.

Article - 20
Language

1. Requests shall be submitted in the English language.
2. Supporting documents, if not in the English language, shall be accompanied by an English translation.

Article - 21
Expenses

1. The Requested State shall meet the cost of executing the request for assistance, except that the Requesting State shall bear -
 - (a) the expenses associated with conveying any person to or from the territory of the Requested State at the request of the Requesting State, and any expenses payable to that person while in the Requesting State pursuant to a request under Article 12 or 13 of this Agreement;
 - (b) the expenses and fees of experts either in the Requested State or the Requesting State;
 - (c) the expenses of translation, interpretation and transcription; and
 - d) the expenses associated with the taking of evidence from the Requested State to the Requesting State via video, satellite or other technological means.
2. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Contracting States shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article - 22
Compatibility with other Treaties

Assistance and procedures set forth in this Agreement shall not prevent either State from granting assistance to the other State through the provisions of other applicable international conventions/agreements, or through the provisions of its domestic law. The States may also provide assistance pursuant to any bilateral arrangement, agreement or practice which may be applicable.

Article - 23
Consultation

The Central Authorities of the Contracting States shall consult, at times mutually agreed to by them, to promote the most effective implementation of this Agreement. The Central Authorities may also agree on such practical measures as may be necessary to facilitate the implementation of this Agreement.

Article - 24
Entry into Force, Amendment and Termination

1. This Agreement is subject to ratification and the instruments of ratification shall be exchanged as soon as possible.
2. This Agreement shall enter into force from the date of exchange of instruments of ratification.
3. This Agreement may be amended by mutual consent.
4. Either Contracting State may terminate this Agreement. The termination shall take effect six (6) months from the date on which it was notified to the other Contracting State.
5. The States may also by mutual consent terminate this Agreement on such terms and conditions as may be agreed to between the States.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on 24th day of October, Two Thousand and Five in two

originals each, in Hindi and English, all texts being equally authentic. However, in case of divergence of interpretation, the English text shall prevail.

For the Republic of India

For the Republic of Mauritius



450. Joint Statement issued at the conclusion of the State Visit to India of Prime Minister of the Republic of Mauritius.

New Delhi, November 3, 2005.

Dr. The Hon. Navinchandra Ramgoolam, Prime Minister of the Republic of Mauritius paid a state visit to India from October 23-28, 2005 at the invitation of the Honourable Prime Minister of India, Dr. Manmohan Singh.

2. The Prime Minister of Mauritius was accompanied by his spouse, Mrs. Veena Ramgoolam, Hon'ble Mr. Rama Krishna Sithanen, Deputy Prime Minister and Minister of Finance and Economic Development, Hon'ble Mr. Madan Murlidhar Dulloo, Minister of Foreign Affairs, International Trade and Cooperation; a high-level official delegation comprising senior officials; and a strong business delegation. During the visit, the Prime Minister of Mauritius called on the President of the Republic of India, Dr. A.P.J. Abdul Kalam and extended an invitation to visit Mauritius, which was accepted with pleasure. It was agreed that the dates of this visit would be worked out in mutual consultation. The Prime Minister visited Rajghat to pay homage to the memory of Mahatma Gandhi.

3. The Mauritian dignitary called on the Prime Minister of India, Dr. Manmohan Singh, and held detailed discussions on bilateral, regional and international issues. The Prime Minister of India also hosted a banquet in honour of Dr. the Hon. Navinchandra Ramgoolam and Mrs. Veena Ramgoolam. Delegation level talks were held between the two sides in a highly cordial atmosphere and both sides reaffirmed their commitment to strengthen their cooperation both at the bilateral, regional as well as multilateral level.

4. The Prime Minister of Mauritius received Shri K. Natwar Singh, Minister of External Affairs; Shri Kamal Nath, Minister of Commerce and Industries; and Shri L.K. Advani, Leader of Opposition. He also met UPA Chairperson, Smt. Sonia Gandhi.

5. The Prime Minister of India extended a warm welcome to Mauritian Prime Minister, Dr. the Hon. Navinchandra Ramgoolam, Mrs. Ramgoolam and the accompanying delegation. The Indian Prime Minister said that India and Mauritius were closely linked together in the past and would so remain in future. He described Indo-Mauritian ties as special and multi-faceted, and said that India would remain a privileged partner in the overall economic development of Mauritius. The Prime Minister of India expressed happiness that Dr. the Hon. Navinchandra Ramgoolam had chosen to come to India for his first bilateral engagement abroad after assumption of office, and pointed out that his own visit to Mauritius earlier in the year was also his first foreign bilateral visit. He stressed that this testified to the significance that both countries attached to their mutual relationship. The Prime Minister of India stated that India wanted a holistic engagement with Mauritius based on our civilisational ties and robust political and economic relationship. The Mauritian Prime Minister reciprocated by indicating that the India-Mauritius relationship was embedded in history. He added that this people-to-people relationship had evolved beyond goodwill to become stronger and more dynamic on the economic front.

6. During the visit, the following bilateral agreements/MOUs were signed between the two sides¹:

1. Brief details of the agreements/MoUs are given below:

S. No.	Name of the Agreement/ MOU	Signatory from Indian side	Signatory from Mauritian side	Main objectives of the MOU/Agreement
1.	Agreement on the Transfer of Sentenced Prisoners	Shri Shivraj Patil, Hon'ble Home Minister	Hon. Madan Murlidhar Dulloo, Foreign Minister	There are around 32 Indian prisoners in Mauritius. They will be brought back to India under this Agreement where they will serve their remaining sentence.
2.	Mutual Legal Assistance Treaty	Shri Shivraj Patil, Hon'ble Home Minister	Hon. Madan Murlidhar Dulloo, Foreign Minister	Aims at fostering and promoting better cooperation and coordination among police and investigative agencies in both the countries. Envisages sharing of information and data relating to crimes and criminals.

- (i) Mutual Legal Assistance Treaty in Criminal Matters;
- (ii) Agreement on the Transfer of Sentenced Persons;
- (iii) MoU for Cooperation in the field of Hydrography;
- (iv) MoU on Harmonisation of Standards between concerned agencies;
- (v) MoU for Cooperation on Consumer Protection and Legal Metrology;
- (vi) MoU between IIPA and Government of Mauritius;
- (vii) MoU on Preferential Trade Agreement.

7. Both sides expressed satisfaction at the progress achieved by the high powered negotiating team for the early conclusion of a Comprehensive Economic Cooperation and Partnership Agreement. They also signed an MoU on a Preferential Trade Agreement, and would eventually lead to a Free Trade Agreement and result in a closer integration of the economies

3.	MOU on Preferential Trade Agreement (PTA)	Shri S. N. Menon, Commerce Secretary	Mr. A.P. Neewoor, Secretary for Foreign Affairs	Expresses the intention of two sides to enter into a PTA in near future.
4.	MOU on Hydrography	Rear Admiral B. R. Rao, NSM, VSM, Chief Hydrographer, Navy	Mr. Suresh Chandre Seeballuck, Secretary Home in the PM's Secretariat	Indian Navy will undertake a survey of coastal areas of Mauritius.
5.	MOU in the Field of Consumer Protection and Legal Metrology	Shri L. Mansingh, Secretary, Department of Consumer Affairs	Mr. Suresh Chandre Seeballuck, Secretary Home in the PM's Secretariat	Aims to promote cooperation in the field of consumer protection, welfare, consumer awareness, etc. Envisages assistance for development of training programmes in these areas and exchanges of officials and experts dealing with them.
6.	MOU between Bureau of Indian Standards (BIS), and Mauritius Standards Bureau (MSB) Sh.	Svayam Prakash Sharma, Director General of BIS	Mr. Suresh Chandre Seeballuck, Secretary Home in the PM's Secretariat	Provides for exchange of information and documents in the field of standardization. Exchange of scientific and technical information pertaining to this field. Envisages cooperation between BIS and MSB in international conferences dealing with setting up of standards.
7.	MOU between Indian Institute of Public Administration and Government of Mauritius	Dr. P. L. Sanjeev Reddy, Director of the Institute	Mr. Suresh Chandre Seeballuck, Secretary Home in the PM's Secretariat	Will cover cooperation in various areas pertaining to public policy and public administration. The focus would be structuring of government and organizational adjustments, institutional support to government, management of public enterprises, etc.

of India and Mauritius. The Prime Minister of Mauritius said that his country was looking towards India for active assistance and cooperation to address challenges currently facing the traditional sectors of the Mauritian economy. The Indian Prime Minister assured that all possible assistance would be provided to Mauritius to diversify its economy and effectively deal with these challenges.

8. The Prime Minister of Mauritius warmly thanked India for the assistance provided in the IT sector, specially through the construction of the Cyber Tower at Ebene. He sought further Indian support for construction of a new Cyber Tower, and for implementation of a School IT project that would contribute towards capacity building for the development of Knowledge Based Industries. The Indian Prime Minister agreed to extend Indian assistance for these projects, and expressed confidence that Information Technology would emerge as a strong pillar of the Mauritian economy.

9. The Mauritian Prime Minister noted the considerable expertise and experience possessed by India in the field of Small and Cottage Industries, and sought Indian assistance for stimulating the SME sector of Mauritius, which would help in job creation and democratization of the economy. The Indian Prime Minister assured that India would extend targeted assistance for development of Small and Medium enterprises, renewable energy and infrastructure in Mauritius, on the basis of its own experience in developing appropriate technologies in these sectors. The Indian side requested consideration for fast processing and implementation of projects put forward by Indian companies in these areas. The Mauritian side indicated that with the setting up of the fast track committee under the Chairmanship of the Prime Minister, this aspect was being attended to.

10. The Prime Minister of Mauritius thanked India for the generous assistance provided to Mauritius so far in the area of defence and security including training. The Prime Minister of India reiterated India's commitment to the defence, security and sovereignty of Mauritius. The Prime Minister of Mauritius expressed interest in the purchase of an Advanced Light Helicopter, an Offshore Patrol Vessel and a Coastal Surveillance Radar System, in order to strengthen the naval and air surveillance capabilities of the Mauritian security forces. The Indian Prime Minister responded positively to this interest appreciating the necessity of ensuring adequate monitoring of the extensive EEZ of Mauritius. The Indian Prime Minister assured that

the above equipment could be supplied expeditiously to Mauritian security forces, under a mutually agreed time frame.

11. The Prime Minister of Mauritius sought Indian support for the construction of a new building to house the Supreme Court of Mauritius. The Indian side agreed that Indian assistance would be provided for the construction of a suitable facility for this purpose.

12. The Prime Minister of Mauritius expressed his appreciation for the successful use of Electronic Voting Machines (EVMs) in the last Indian general elections, and expressed the desire of his Government to acquire EVMs from India for use by the Mauritius Electoral Commission. The Indian Prime Minister expressed his appreciation of the strength of the Mauritian democracy and agreed that India would supply EVMs for use in Mauritius.

13. In order to facilitate the completion of the projects referred to in paragraphs 8 to 12 above, the Government of India agreed to offer a line of credit of US\$100 million with a grant element of twenty five percent. The Prime Minister of Mauritius thanked the Prime Minister of India for this generous financial package, and it was agreed that the apportioning of this assistance among different projects would be decided between the two sides.

14. The Prime Minister of India promised all assistance to Mauritius for its transformation into a Knowledge Hub in the fields of medicine, engineering, and IT and capacity building and agreed to give due consideration to proposals for the setting up of centres of excellence in Mauritius in association with premier Indian educational institutions. The Indian side indicated that they would facilitate the setting up of a branch of the Indian Foreign Trade Institute in Mauritius. The Indian Prime Minister expressed the wish that Mauritius would establish itself at the frontiers of Science and Technology.

15. Both sides reviewed the progress for the establishment of the World Hindi Secretariat. The Prime Minister of India briefed the Mauritian side about the steps taken by India for the implementation of this project.

16. The Prime Minister of Mauritius referred to the holding of the first meeting of the India-SADC Forum in India in the near future and expressed the keen desire of Mauritius for the promotion of cooperation between India and SADC. The Indian Prime Minister on his side fully reciprocated these

sentiments and expressed confidence that the forthcoming first meeting of the India-SADC Forum would serve to enhance and strengthen India's relationship with SADC countries.

17. India reiterated its consistent support to Mauritius for the restoration of Mauritian sovereignty over the Chagos Archipelago. The Prime Minister of Mauritius thanked India for its long-standing and unwavering stand in this regard.

18. The Prime Minister of India thanked the Mauritian Prime Minister for his strong advocacy of India's candidature for a Permanent Seat in the UN Security Council in the recent Summit of the UN General Assembly and recalled with appreciation the consistent and supportive Mauritian stand on this issue over the past decade. The Prime Minister of Mauritius reiterated the support of Mauritius for India's candidature for a Permanent Seat in the UNSC.

19. Mauritius and India condemned the scourge of terrorism in all its forms and manifestations and reaffirmed their total engagement in the fight against terrorism under the aegis of the United Nations.

20. The Prime Minister of Mauritius reiterated the solidarity of his country with India in the wake of the recent earthquake in Kashmir.

21. The two Prime Ministers expressed strong satisfaction at the outcome of the visit and agreed that it would give a major boost to bilateral ties between the two countries.



MOROCCO

451. Media briefing by Official Spokesperson on the call by External Affairs Minister K. Natwar Singh on the Prime Minister of Morocco Driss Jettou.

Jakarta, April 23, 2005.

External Affairs Minister called on H.E. Mr. Driss Jettou, Prime Minister of Morocco on the sidelines of the African-Asian Summit in Jakarta on April 23, 2005. The meeting lasted for thirty minutes and was held in a warm and cordial atmosphere. The subjects discussed during the meeting included bilateral relations and cooperation, regional issues, UN Security Council reforms and India-Pakistan relations.

EAM recalled that the visit of the Moroccan Prime Minister to New Delhi had made a deep impression on the Indian leadership. The Minister of State for External Affairs Mr. E. Ahmed would soon be visiting Morocco for the Joint Commission meeting between the two countries. India had also appointed a Special Envoy Mr. Syed Shahabudin¹ who would be visiting Morocco soon. A separate Special Envoy Mr. C. Garekhan¹ had been appointed for the whole of West Asia.

EAM observed that the Indian joint venture in the phosphate sector in Morocco was doing well and our Joint Business Council had had a good meeting in New Delhi.

- The Moroccan Prime Minister said both the TATAs and the Birlas had successful businesses in Morocco and the Moroccan venture with the Paradeep Port was doing well.
- The Moroccan Prime Minister reiterated support for India's candidature for a permanent seat on the UN Security Council.
- EAM briefed the Moroccan Prime Minister about recent developments in India-China relations and India-US relations.
- EAM briefed Prime Minister of Morocco Mr. Driss Jettou, about recent

1 Former officer of the Indian Foreign Service.

positive developments in India-Pakistan relations which he described as “never having been better in the last fifty years”. Prime Minister Mr. Driss Jettou welcomed these developments and said that this would benefit not only the two countries but also the region as a whole.



452. Press release of the Ministry of External Affairs on the visit of Minister of State E. Ahmed to the Kingdom of Morocco.

Rabat, May 26, 2005.

Shri E. Ahamed, Minister of State for External Affairs, Government of India, paid a visit to the Kingdom of Morocco from 23 – 26 May, 2005. He was accorded the privilege of having an exclusive audience with His Majesty King Mohammed VI, the King of Morocco. Although His Majesty was away on tour to Agadir, situated about 600 kms. south of Rabat, he received the Indian Minister despite his numerous pressing engagements. In a rare and special gesture, the King placed his personal aircraft at Hon'ble Minister's disposal to enable him to travel to Agadir and return to Rabat.

Shri E. Ahamed handed over a letter addressed to His Majesty King Mohammed VI by hon'ble Prime Minister of India Dr. Manmohan Singh. He also conveyed to the Moroccan monarch the good wishes of the Government and the people of India. In reply, the Moroccan King echoed the sentiments of goodwill. It may be recalled that he has visited India in 2001 and again on a private visit in 2003. His fondness for India is well known, especially in Morocco.

Shri E. Ahamed briefed His Majesty on various aspects of India's foreign policy as also the steps being taken by the Indian Government to uplift the poorer sections of Indian society. Bilateral relations between India and Morocco were reviewed during the meeting and Shri Ahamed expressed the hope that the excellent bilateral relations would be transformed into even closer and better relations. It may be mentioned that the economic relationship is mainly centered around the export of phosphates and

phosphoric acid from Morocco to India, but there is considerable scope for diversifying the bilateral trade and economic relationship.

During the meeting, the Moroccan King expressed the hope that India's President and Prime Minister would be able to visit Morocco in the very near future. It may be recalled that Morocco's Prime Minister Driss Jettou had paid an official visit to India in December, 2004.

During his visit, Shri E. Ahamed also called on the Moroccan Prime Minister Driss Jettou and Minister of State for Foreign Affairs Taieb Fassi Fihri. Fassi Fihri also hosted a banquet in honour of the Indian Minister¹.



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1. A press release issued by the Ministry of External Affairs on May 23 gave details of the relations between India and Morocco. The press release said, "the current level of bilateral relations between India and Morocco are both excellent and dynamic. High-level exchange of visits and signing of various framework agreements have led to close and intense partnership between the two countries. Recently, Prime Minister Driss Jettou led a high level Ministerial and official delegation to India in December 2004. Delegation level talks led by Prime Ministers and sectoral talks between the Ministers, as well as the talks between the economic operators of both countries provide scope for higher level of cooperation, particularly in the economic and commercial fields. During the visit, bilateral agreements in energy, air services and agricultural cooperation were signed, diversifying and enhancing the existing relations. Economic and trade relations between the two countries have witnessed a steady growth in the recent years. The current level of bilateral trade stands around US\$ 400 million, with balance of trade continuing in favour of Morocco. Recognising the vast potential existing between the two countries, both the sides have agreed to increase the level of bilateral trade to US\$ 1 billion. The Joint Economic Council Meeting that took place in New Delhi in December 2004 between the private sector economic operators of both the countries identified potential sectors for developing economic cooperation. The next session of the Indo-Moroccan Joint Commission Meeting is expected to be held in New Delhi next month. The Indo-Moroccan Joint Venture, IMACID, set up at Jorf Lasfar for production of phosphoric acid since November 1999, is one of the largest joint ventures in Morocco. This IMACID, a success story in Morocco, stands as a living monument of bilateral economic cooperation between the two countries. Recently, Tata Chemicals Limited, another business giant from India, has joined IMACID as a third equal partner with an investment of US\$ 200 million. With growing Indian investment in Morocco in promising sectors, the economic and trade relations between the two countries are poised for further growth." The press release said that the visit of Mr. E. Ahamed "is part of the process of cementing and consolidating the growing bilateral ties between the two friendly countries."

SENEGAL

453. Media briefing by the Official Spokesperson on the visit of the Foreign Minister of Senegal.

New Delhi, January 24, 2005.

Minister for Foreign Affairs of the Republic of Senegal, H.E. Dr. Cheikh Tidiane Gadio is now in India on a working visit from January 23-25, 2005. This is Dr. Gadio's third visit to India within one year and demonstrates the increasingly close relations between India and Senegal.

Dr. Gadio had a working meeting with the Indian Minister of External Affairs (EAM) Shri Natwar Singh, where wide-ranging discussions were held in a friendly and cordial atmosphere. Both sides exchanged views on various bilateral, regional and international issues of mutual interest. They reiterated their desire to further strengthen the excellent cooperation and close and friendly ties between the two peoples.

Among other things, it was agreed that India would train Senegal diplomats in different aspects of protocol, economic diplomacy etc. at the Foreign Service Institute of the Ministry of External Affairs.

EAM has agreed to visit Senegal towards the end of March 2005. During this visit, EAM would co-chair the Joint Commission meeting, attend a TEAM-9 Ministerial meeting, inaugurate India-Senegal Business Forum etc. A cultural programme and film festival would also be held to coincide with the visit.

Senegal is a key player in Africa, in general and West Africa, in particular. It has one of the strongest economies in the region and is an excellent gateway for Indian business and industry to penetrate West African markets. India-Senegal trade has grown rapidly in the last few years. India, today, is Senegal's 2nd largest trading partner.

Senegal is an active member of the United Nations and other international fora. It has declared its support to the Indian candidature to a permanent seat in the expanded UN Security Council.

Senegal is an active and important member of the Organization of

Islamic Countries (OIC). The next Summit meeting of the OIC in 2006 will be held in Dakar.

Senegal is also one of the major proponents of TEAM-9, a new grouping which has been established between India and 8 countries of Africa to assist in the economic development of the region.

India has set up various projects in Senegal including a US\$ 4.5 million Entrepreneurial Training & Development Centre, installation of 245 Solar PV Powered Home Lighting Systems and two Medical Refrigeration Systems, a US\$ 2 million Agricultural Development Project, Computerisation of the Senegalese Prime Minister's Office, etc.

One of India's largest joint ventures abroad is the Industries Chimiques de Senegal, phosphate mining and processing company. The plants' entire output is exported to India for the manufacture of fertilizers. In addition various Indian companies have invested in Senegal including the TATAs in a bus assembly plant, Thapars in textiles etc.

A number of concessional lines of credit (LOCs) have been extended by India to Senegal to assist projects of mutual interest. A US\$ 10 million LOC agreement was signed between EXIM Bank of India and West African Development Bank (BOAD) in November '03 for projects in the countries of the West African Economic and Monetary Union.

Bilaterally, India has given a US \$ 15 million line of credit for the Agriculture and SME-related sectors. In addition, Senegal would be a beneficiary under the US \$ 500 million line of credit under TEAM-9 initiative and the US \$ 200 million under NEPAD (New Economic Partnership for African Development) initiative. A US\$ 17.87 million LOC has been signed recently for supply of 350 Indian buses for the Senegal urban transport system.

India has also announced a sum of US \$ 6.5–7 million for conducting a feasibility study and a detailed project report for a railway line in Senegal.

The visit of Dr. Gadio will be followed by the visit of the Transport Minister of Senegal from 29th January 2005 and then by the Health Minister of Senegal from the 21st of February 2005.

The above visits are part of the ongoing high-level interaction

between India and countries of West Africa, a region with which India had limited interaction in the past. Politically, India was always recognised as a genuine and true friend of Africa, one that has stood by it over the years. Today, it is seen as a reliable development partner by countries in this region.



454. Speech by Minister of State Rao Inderjit Singh at the official launching of Tata Buses supplied to Dakar Dem Dikk.

Dakar, April 7, 2005.

Your Excellency, Mr. Macky Sall, Prime Minister of Senegal.

Your Excellency Chiekh Tidiane Gadio, Minister for Foreign Affairs,

Your Excellency, Mr. Mamadou Seck, Minister for Infrastructure, Equipment & Transport of Senegal.

Mr. Ousmane Thiam, President of the CETUD.

Mr. Christian Salvy, Director General, Dakar Dem Dikk.

Ladies and Gentlemen

It is a great pleasure to be here at the inauguration of the Indian bus fleet supplied to Dakar Dem Dikk.

India has had a long history of cooperation with Senegal which has been strengthened in the recent past by strong economic links. Our association has resulted in several landmark projects and I would like to mention a few of them. The Indo-Senegalese joint venture, Industries Chimiques du Senegal (ICS), which exported about US \$200 million worth of its products to India last year. The US \$4.5 million state-of-the-art Senegal-India Entrepreneur and Technical Development Centre (ETDC) in Dakar which is currently training nearly 400 personnel every year from the West African region.

The US \$2 million Senegal-India Agriculture Development Project

which has significantly enhanced productivity in both rice and cotton output in Senegal. The computerization of the Prime Minister's Office; the highly successful solar energy projects in Soune and Touli villages near Dakar. These are all examples of the close co-operation between our two countries.

Mr. Prime Minister, today morning we signed an agreement to conduct a feasibility study for the Dakar-Ziguinchor railway line. We are also in the process of providing locomotives and coaches for the Dakar suburban railway as well as the Dakar Bamako international link. We have also extended a credit line of US \$15 million for procurement of machinery for agro industries and small-scale industries. I am mentioning all these just to demonstrate the wide range of co-operation that exists between our two countries.

I am sure that the Indian buses supplied to Dakar Dem Dik will demonstrate yet another aspect of our relation. The common experience of many West African countries regarding Indian products, particularly buses, has been that these are very robust and extremely suitable vehicles. Indian transport vehicles have performed far superior to all other imported vehicles in Africa. This is not surprising because conditions in Africa are similar to those in India in terms of the climate – sun, rain and dust – the soil and the road conditions, transport demands, technological backup etc. Furthermore, these vehicles are simple to operate, easy to maintain and amenable to repairs, besides being very cost competitive.

The transport sector is a critical infrastructure in the development of a country. We are confident that these buses will contribute to the economic development of Senegal and to the mutual benefit of both our countries. I would like to conclude by stating that we in India are always ready to share our vast experience and valuable and relevant expertise with our Senegalese friends. I wish all success to Dakar Dem Dikk and its partnership with the Tatas which is indeed a proud symbol of not only India-Senegal cooperation but also of South-South cooperation.



455. Press release of the Ministry of External Affairs on the visit of the Minister of State Rao Inderjit Singh to Senegal.

New Delhi, April 8, 2005.

1. At the invitation of the Government of Senegal, the Hon'ble Minister of State for External Affairs, Shri Rao Inderjit Singh visited Senegal during 6th-7th April, 2005. During his visit, the Hon'ble MOS called on President of Senegal, Mr. Abdoulaye Wade; Prime Minister Macky Sall and the Foreign Minister, Cheikh Tidiane Gadio on 6th April, 2005. These meetings were held in very warm and cordial atmosphere attesting to the close and friendly relations between the two countries. The Senegalese Government, including at the highest level, confirmed its strong support to India in the international fora including for India's Permanent Membership of the UNSC. They also expressed deep appreciation for Indian cooperation including in the fields of agriculture, small and medium industries and transport, The Hon'ble MOS conveyed India's continued support to Senegal's developmental and infrastructural programmes. They also discussed other issues of mutual interest.
2. On 7th April morning, an agreement for conducting the feasibility study of the proposed Dakar-Tambacounda-Ziguinchor standard gauge railway line was signed between RITES and Senegalese Agency for New Railway System in the presence of the Hon'ble MOS and the Senegalese Minister for Infrastructure, Equipment and Transport, Mr. Mamadou Sock. In the afternoon, PM Macky Sall and the Hon'ble MOS jointly launched at an impressive public ceremony in Dakar the 350 Tata buses supplied to Dakar city bus services under an EXIM Bank of India concessional line of credit of US \$ 18 million. Hon'ble MOS also visited the US \$ 4.5 million Entrepreneur and Technical Development Centre (ETDC) set up in 2001 by India in Dakar under G-15 rubric for technical training in 6 engineering disciplines.
3. India is Senegal's second largest trading partner. A major joint venture in Senegal uses through country's rich deposits of rock phosphates to provide phosphoric acid for India's phosphoric fertilizer industry.

4. Senegal also plays an important coordinating role in India's TEAM-9 initiative aimed at forging closer ties with 8 West African countries.



456. Media briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meetings with the Foreign Minister of Senegal Cheikh Tidiane Gadio on the sidelines of Asian-African Summit.

Jakarta, April 22, 2005.

- External Affairs Minister Shri K. Natwar Singh met the Foreign Minister of Senegal Mr. Cheikh Tidiane Gadio on the sidelines of the Asian-African Summit in Jakarta on April 22. Both Ministers expressed satisfaction on the warm and cordial bilateral relations between India and Senegal. EAM apprised the Senegalese Foreign Minister about India's initiative to establish a pan-African satellite based network that enables us to share our experience in e-learning, tele-medicine, resource mapping and meteorological services with all 53 countries of Africa.
- EAM also mentioned that India had become Senegal's largest importer and India would continue to extend full support and assistance to Senegal's developmental endeavors. In this context EAM mentioned that India would like to see early utilization of the US\$ 15 million line of credit extended to Senegal. Both Ministers also discussed the TEAM-9 initiative which would further galvanize India's economic cooperation with West Africa. The Senegalese Foreign Minister expressed appreciation for India's assistance. He said that Senegal fully supported India's bid for permanent membership of the UN Security Council and that the democratization of the UN could not be delayed any further.
- Both Ministers agreed to convene a meeting of the India-Senegal Economic Commission Meeting and a meeting of all the Foreign Ministers involved in the TEAM-9 initiative in Dakar on May 21, 2005.



457. Speech by External Affairs Minister K. Natwar Singh at the foundation stone laying ceremony of the bust of Mahatma Gandhi at Place Mahatma Gandhi, Corniche West, Dakar.

Dakar (Senegal), May 26, 2005.

We are gathered here today for the foundation stone laying ceremony of the bust of Mahatma Gandhi, the Father of the Indian Nation. Mahatma Gandhi is so called because he gave India freedom from the mightiest empire on earth. Other countries before and in other continents have won their freedom but what was unique about the Indian independence was the fundamentally new approach that informed the struggle, the approach of Satyagraha, i.e., "Soul Force" of redressing wrongs and fighting oppression through non-violence and determination but yet without hatred. The British left India in 1947 without bitterness and rancour and, indeed, India remained a member of the Commonwealth. That it could have been different can be seen from the tragic experiences of Algeria, Congo, Angola and Kenya, to name only a few in Africa alone.

But Mahatma Gandhi gave India more than our freedom. He gave us unity, self-confidence and, indeed, our soul back. He helped lead the fight against the great blemishes on the Indian soul of social oppression through, untouchability, social stagnation through caste barriers and social tension through religious divide. As though this was not enough, he focused on the common man whether in the city or in the villages, whether in political or in economic domains. It was his ideas of village councils and rural development, his emphasis on self-reliance, his dedication to empowerment of women and weaker sections of our society and his stress on education that have contributed to laying the foundation for the India of the 21st century with its social mobility, cultural creativity, economic dynamism and political vibrancy.

But Mahatma Gandhi does not belong to India alone. It was in Africa that he first forged the tools to fight social and political inequities. It was these tools which were used by others in the succeeding decades of the second half of the 20th century like the movements of the American blacks and Guatemalan Indians in the Americas, struggles of the Poles, Czechs and others in East Europe and by the Thais and Filipinos in Asia for their

rights, empowerment and freedom. The theses of the modern day environmentalists and the current debate on sustainable development had already been put forward by the Mahatma in the 1920s itself. It was his philosophy of equity, tolerance, partnership for development and support for freedom everywhere that has informed Indian foreign policy.

We deeply appreciate the gesture of the Government of Senegal and that of the City of Dakar to install a bust of the Mahatma Gandhi at this particular spot, which is one of the most beautiful spots in Dakar. The bust made by the Indian sculptor, Mr. Gautam Paul was provided by the Indian Council for Cultural Relations, under my Ministry. We see your gesture as an indication of the common values that the people of Senegal share with the people of India in terms of fighting social and economic inequalities, supporting the empowerment of the vulnerable and weaker sections of the society as well as pursuing the philosophy of tolerance, peace and harmony in the wider world that was dear to the Mahatma's heart for which he had fought and died. The memorial that will be built on this spot containing this bust will be a permanent monument not only to the ideals of the Mahatma that is so relevant even today but also for the deep and abiding friendship and understanding between the peoples of Senegal and India.



458. Press release of the Ministry of External Affairs on the visit of External Affairs Minister K. Natwar Singh to Senegal.

New Delhi, May 27, 2005.

Shri K. Natwar Singh, Hon'ble External Affairs Minister visited Dakar from May 25-26, 2005. His programme included the meeting with President Abdoulaye Wade and discussions with Foreign Minister Cheikh Tidiane Gadio.

Welcoming EAM in his office, President Wade sprang a surprise by conferring on him the 'Chevalier de l'Ordre National du Lion' (Knight of the Lion's National Order), Senegal's highest award and one that is usually reserved for distinguished Heads of States and Governments. During their 45-minutes conversation, President Wade highlighted the importance of

India's partnership with Senegal in key sectors like transport, agriculture, small & medium enterprises etc. He acknowledged, in particular, the enormous impact on Dakar's transport system following the arrival of 350 buses from India under a concessional line of credit. President Wade also conveyed his keen interest in emulating India's Green Revolution and expressed his desire for tangible assistance from India in this sector. He said that in the field of economic development, India has become a standard to which other countries aspire. India's competence in information technology was internationally recognized and Senegal hoped to be able to use Indian expertise for its own ambitious programme to bring IT training at the high school and administrative level. He described Mahatma Gandhi as a great thinker and philosopher and that unlike other great philosophers like Plato and Aristotle, Mahatma Gandhi had actually translated his thoughts into action.

The meeting with Foreign Minister Gadio provided an opportunity to exchange views on a wide range of bilateral, regional and international issues. FM Gadio reiterated Senegal's support for India's candidature for permanent membership of the UNSC.

EAM's visit coincided with a conference of Senegalese Ambassadors and Consul Generals world wide. In a rare gesture, EAM was invited to address the gathering of Senegalese diplomats and to participate in an inter-generational dialogue representing four generations of Senegalese diplomacy. EAM's observations on the changes that he has seen in the practice of diplomacy over his own career spanning over 50 years drew warm applause from the audience.

In another significant gesture, EAM and FM Gadio laid the foundation stone for a monument to Mahatma Gandhi in a prestigious spot by the side of the Atlantic Ocean adjoining the main highway of the city. The Senegalese government has named it Place Mahatma Gandhi and is planning to build an impressive park around this monument. The bust of Mahatma Gandhi was sculpted by Mr. Gautam Paul, the well-known Indian sculptor under the sponsorship of the Indian Council of Cultural Relations. At an impressive public ceremony organized by the Mayor of Dakar to mark the occasion, EAM was welcomed with traditional dances in the presence of a host of other local dignitaries. Speaking on the occasion, FM Gadio spoke about the exemplary cooperation between India and Senegal and the role that

EAM had personally played in fostering this relationship. He also recalled Mahatma Gandhi's unique contribution to developing the concept of non-violence and peaceful resistance, underlining the fact that as many as six Nobel laureates including Nelson Mandela and Martin Luther King had drawn inspiration from him. EAM, in his remarks, said "Mahatma Gandhi does not belong to India alone. It was in Africa that he first forged the tools to fight social and political inequalities. It was these tools which were used by others in the succeeding decades..."

Later in the evening the two Foreign Ministers addressed a joint press conference. In addition to a Joint Communiqué, the two Ministers signed a Protocol to establish regular dialogue between the Foreign Offices of the two countries. A separate Agreement was signed between the MD, National Research Development Corporation, New Delhi, Dr. D.K. Bhardwaj and the Director du Cabinet in the Senegalese Ministry of Small & Medium Enterprises, Mr. Mody Ndiaye. The agreement envisages the establishment of an Indian Technology Demonstration Centre in Dakar with the objective of showcasing appropriate technologies developed by NRDC for the agricultural, fisheries and small-scale industries sectors and to create a channel for promoting export of Indian machinery and equipment to Senegal.

At a reception hosted in his honour by Ambassador Balkrishna Shetty, EAM also met a cross section of the Indian community in Senegal. Although relatively small in size, the Indian community in Senegal has been increasing rapidly over the last few years reflecting the dynamism of growing bilateral relations between the two countries.

Though Senegal is a Francophone country with traditional close ties with France, India has emerged as its second largest trading partner and largest exporter destination. The *Industries Chimiques du Senegal* project in which IFFCO has a sizeable equity supplies almost US \$200 million worth of phosphoric acid to India annually for use in India's fertilizer industry.



SEYCHELLES

459. Speech of President Dr. A. P. J. Abdul Kalam at a banquet hosted in honour of the President of Seychelles James Alix Michel.

New Delhi, August 1, 2005.

Your Excellency Mr. James Alix Michel,
President of the Republic of Seychelles,
Excellencies,

Ladies and Gentlemen,

It is indeed an honour and privilege for me to welcome Your Excellency and the distinguished members of your delegation tonight.

Excellency, we welcome you today not only as the President of a neighbouring country but also as a close friend of India. Indeed, the growing multi-faceted interaction between our two countries owes much to your personal initiative and interest. We recall with great warmth your earlier visits to India in the past. Our Vice-President had visited Seychelles in 2002 and we are sure that high-level exchanges between our countries will continue at a high level in the future as well.

Excellency, it is almost three decades since Seychelles threw off the yoke of colonialism and joined the comity of independent nations. We have watched with admiration how your beautiful country, laid out like a beautiful string of pearls in the western Indian Ocean, has managed to preserve its pristine beauty despite being a tourist haven. This is a testimony to the enlightened policies followed by Seychelles over the years, which strike a balance between the necessity of fostering tourism and the imperatives of preservation of the environment. Your own contribution in this endeavour in your earlier capacity as the Minister for Environment is indeed commendable.

Indo-Seychelles relationship over the years has been marked by mutual understanding, trust and deep regard for each other¹. We are

1. The visiting President held delegation level meeting with Prime Minister Dr. Manmohan Singh besides meeting the External Affairs Minister K. Natwar Singh. President Michel told

particularly appreciative of the principled support consistently given to India by Seychelles in multinational fora on issues of vital interest to us. We value this support and look forward to closely working with your country in the creation of a new world order, especially in reforming the UN Security Council so that it comes to reflect in a better way the realities of today.

I take this opportunity to reiterate India's steadfast resolve to assist Seychelles in fostering its socio-economic development. We will be willing to share our capabilities and expertise with you in the fields of health, Information Technology, small-scale industries, etc. Our bilateral relationship will always remain a shining example of South-South Cooperation. Both our economies are in the process of ongoing economic reforms and in this era of globalisation, we need to encourage both our private sectors to interact more closely with each other.

It is encouraging to note that many students from your country have been coming to India for higher education. We will make every effort to provide them with a congenial atmosphere so that they can truly feel that they are in their second home. We also see that a number of nationals from Seychelles have been receiving training in India under the ITEC programme. We will be happy to provide more ITEC slots for Seychelles should that be felt necessary.

As we sail from India to Seychelles, we encounter no other landmass. You are, therefore, our maritime neighbour bound by the Indian Ocean. This Ocean has been and will always remain a bridge of friendship between our two countries. Both of us share a common interest in ensuring maritime peace and stability in the Indian Ocean. We, therefore, attach utmost priority to further enhancing and deepening our already excellent cooperation in the field of defence, especially in the naval arena. We are sure that INS Tarmugli, now rechristened as Topaz, which was handed over to you by us in a spirit of fraternal friendship will enable you to institute a more effective surveillance of your large Exclusive Economic Zone. We could also collaborate in the area of fishing, processing and marketing on the high seas.

Indian industry representatives at an interaction hosted by Assochem, Confederation of Indian Industry and Federation of Indian Chambers of Commerce and Industry that talks for a double-trade agreement were progressing very fast. Seychelles, he said, was looking for cooperation in the fields of tourism, fishing, petroleum exploration and communications.

Finally, may I recall that while visiting South Africa on a State visit, I had announced a project to provide connectivity among all the 54 countries of Africa, especially in the fields of tele-medicine and tele-education. I am pleased to learn that Seychelles is keen to participate in this project which we are sure will lead to a distinct improvement in the quality education and healthcare available to the people of your great country.

Distinguished guests, may I now request you to join me in a toast to the:-

- health and well being of His Excellency President Michel;
- progress, prosperity and happiness of the people of Seychelles; and
- Indo-Seychellois friendship and cooperation.



SOMALIA

460. Media briefing by the Official Spokesperson on the meeting between the External Affairs Minister K. Natwar Singh and the Foreign Minister of Somalia

Jakarta, April 23, 2005.

External Affairs Minister K. Natwar Singh met the Somalian Foreign Minister on the sidelines of the Asian-African Summit on April 23, 2005. The meeting lasted for 30 minutes and was held in a warm and cordial atmosphere. The subjects discussed during the meeting included bilateral relations and cooperation and regional issues.

The Somalian Foreign Minister briefed EAM about the internal economic situation in Somalia and the needs of the country for rehabilitation assistance. He requested for Indian assistance in diverse areas including reconstruction, education and fisheries. He also held out the prospect of closer cooperation between the two countries in the energy sector.

EAM agreed to discuss the proposals with the Somalian side and to an exchange of views between the two governments on the subject.



SOUTH AFRICA

461. Press release on the visit of External Affairs Minister K. Natwar Singh to South Africa.

Cape Town, March 10, 2005.

Shri K. Natwar Singh, Minister of External Affairs, arrived in Cape Town today for the 2nd Meeting of the Trilateral Commission of the IBSA (India-Brazil-South Africa) Dialogue Forum. It would be recalled that IBSA was launched in Brasilia in June 2003. The original idea had been to focus on consultations and exchange of information, in order to coordinate positions on various international issues. This soon evolved to cover collaborative projects and programmes with the New Delhi Plan of Action which was adopted by the 1st Meeting of the Trilateral Commission held in New Delhi in March last year.

The Meeting of the Trilateral Commission has been preceded by a Senior Officials' Meeting in Cape Town from March 7-9, 2005. Meetings of Joint Working Groups were held in the areas of trade, information society, science & technology, transportation, tourism, agriculture, education, culture and defence. Discussions were also held on an IBSA Seminar on Economic Development & Social Equity which will be held in Rio de Janeiro in August 2005.

The External Affairs Minister called on his South African counterpart Dr. Nkosazana Dlamini-Zuma, Minister of Foreign Affairs at her office. The meeting allowed the two Ministers to review bilateral developments, subsequent to the visit of President Kalam to South Africa in September 2004. The two Ministers also reviewed extensively India's engagement with Africa and NEPAD. It would be recalled that India has announced its intention to make available US\$ 200 million in lines of credit for specific projects under NEPAD. External Affairs Minister briefed the South African Minister regarding the India-Africa Project Partnership Conclave organized by CII in New Delhi last week.

External Affairs Minister, along with Foreign Minister Zuma, and Foreign Minister Celso Amorim of Brazil, called on President Thabo Mbeki at Tyunhuys. The three Ministers briefed the President regarding progress

made by the IBSA initiative in various sectors. Regional and international issues of mutual interest were also discussed, including those related to the reform of the United Nations. The three countries expressed their will to work together so that effective and meaningful decisions can be taken which should provide the present multilateral system its due legitimacy and credibility.

The opening plenary session of the Trilateral Commission was held later in the day. External Affairs Minister and the Foreign Ministers of Brazil and South Africa made opening statements. In his statement, External Affairs Minister said that the idea of IBSA was without precedent – three countries, from three different continents coming together to jointly consider global issues of common interest, as well as ways in which collaborative action among them could be strengthened. He also shared India's perspectives on regional and international developments, since the last meeting of the Trilateral Commission, with his counterparts from South Africa and Brazil.

The South African Foreign Minister hosted a gala dinner in honour of IBSA Foreign Ministers later in the evening. The IBSA Business Council was launched on this occasion. The Business Council brings together the apex chambers of commerce and industry from the three countries. From India, FICCI, CII and ASSOCHAM are represented on the Council. Their South African and Brazilian counterparts are Business Unity South Africa and Confederacao Nacional da Industria.

The meeting of the IBSA Trilateral Commission will continue tomorrow.



462. Speech by Minister of State Rao Inderjit Singh at the South African Institute for International Affairs.

Johannesburg, April 4, 2005.

Acting Director of the South African Institute of International Affairs,
other distinguished guests,

I am very happy to be here at the South African Institute for International Affairs – one of the premier think tanks of this country on foreign-policy related issues.

My topic for this afternoon is “India and Africa- New directions”

Before we start talking of new directions, let me share with you the traditional orientation of our relations with Africa and spell out what could be called its defining elements. Where had India and Africa reached in their interaction for the last 50 years? That is the logical starting point for tracing the new directions we have to chart out?

Of course, the moment we talk of India and Africa, the first thing that comes into our mind is our common fight against colonialism and apartheid.

Even before attaining our own independence in 1947, the Government and the people of India extended support to the struggles of the people of Africa against colonial rule. India did not consider its own independence to be complete until freedom was fully gained by her African brethren. Issues like African liberation and racial equality were highlighted with full-throated vigour in India’s foreign policy. It was only with the emergence of a multi-racial democratic regime in South Africa, that we felt that the goal had, to a large extent, been achieved.

Over the years India’s relations with the countries of Africa have been constructed on the twin pillars of peace and development. The two are mutually inter-dependent. India’s commitment to the peace agenda in Africa is manifest in our substantial contribution to UN peacekeeping and monitoring operations in the past in Congo, Mozambique, Somalia, Rwanda, Angola, Liberia and Sierra Leone. Presently, our peacekeeping forces are deployed in Eritrea, Ethiopia and Democratic Republic of Congo.

On the development front, India’s approach is to strengthen South-

South horizontal linkages and to promote self-reliance through transfer of inter-mediate technologies appropriate to the needs of recipient countries. Our technical and economic cooperation programme – ITEC - is almost four decades old. If an accountant were to put a rough monetary value to the wide range of training and other facilities that we have shared with our friends from Africa, I am sure he would estimate it at well above a billion dollars.

But more important than these numbers is the special relevance of India's development experience for Africa's requirements. Over the last five decades, through an incremental process of trial and error, of making mistakes and learning from them, we have forged a development paradigm that - within the context of a diverse, pluralistic democracy - is truly unique. And we are keen to share this experience with our friends. India views South-South Cooperation as the embodiment of a new spirit, of an alternate cooperative approach to development.

The relationship between India and Africa has been fraternal. There is a bond, an affinity, a common vision, and a deep sense of empathy born out of a common struggle, which have brought the peoples of India and Africa together. India's contacts with Africa go back over two millennia. The eastern coast of Africa was a natural trading destination for Indian merchants as the force and direction of the monsoon wind automatically ferried the sailing ships between India and Africa. More recently, since the middle of the 19th century, Indians have settled down in large numbers in Africa. The presence of a large number of Indian diaspora in Africa is a legacy of history. Millions of Indians have made Africa their home and have been active in making a positive contribution to the economies of the countries of their adoption.

But, the world has changed. Africa is changing too. In the past, critics have often blamed Africa for its woes and foretell further doom and gloom. But we see two recent developments as being of fundamental importance for Africa's future. First, with the coming into being of the African Union (AU), the African countries have embarked on the course of stronger integration of their great continent. The African Union is already playing a key role in ensuring that the path to the future is guided by the Africans themselves. Its recent interventions in Darfur and Togo have won it numerous admirers in the international community, including, of course, in India itself.

For us in India, it will be a privilege to interact with the African Union at all levels, including at the Summit level. We are keen to translate our shared history and the legacy of strong political, cultural and economic linkages into an institutionalized structure of interaction that would draw our peoples even close together and benefit them.

The other development that gives rise to considerable optimism is the New Partnership for Africa's Development (NEPAD). It has been crafted by reform-oriented African leaders who have a vision for Africa. The prospects offered by this partnership and the vast potential for sustainable progress inherent in African initiative show that there is room for countries, such as India, to share and be part of this new dynamism. We are deeply committed to the NEPAD process and strongly support efforts that enable Africa to take its political and social destiny in its own hands and ensure African ownership of Africa's resources.

India and Africa have always been part of a common struggle for universal freedom. Freedom not only in political terms, but economic, social and human freedom. This is not just a question of rhetoric. We have achieved political freedom but without economic progress that eliminates hunger, disease and illiteracy, the hopes and aspirations of our people remain unfulfilled.

And this is where we define our new directions. We have fought together in the past. We will continue to fight together in the future – but a different fight now. At its core is the welfare of our people. The removal of illiteracy, poor health and underdevelopment remain our foremost priorities. The menace of international terrorism and religious fundamentalism, often backed by state power and patronage threaten to disrupt the harmony of our pluralistic societies and to undermine the efforts towards economic development and social advancement of our people. We must stand shoulder to shoulder against these forces, as we did against the forces of colonialism.

Relations between India and Africa have embodied the essence of South-South cooperation. We need to inject a new meaning into it the 21st century. The formation of the G-20, IBSA, TEAM-9 are examples of this new spirit of South-South Co-operation. We have to unshackle ourselves from the prescriptive policies thrust upon us from the developed countries

and chart our own destinies based on our own strengths and experiences. We, in India have followed a path of development which is different from the one followed by many developed countries around the world. Today, we feel reasonably proud of our achievements. We have a long way to go but we are firmly on the path of progress. India has made significant strides in the areas of Agriculture, Pharmaceuticals, Small and Medium Enterprises, Information Technology, Telecommunications, to mention a few.

Talking of Information Technology, let me give you an example of what we can do together. During his visit to South Africa, the President of India Dr. Abdul Kalam proposed a programme to connect India with all 53 nations of the African Union by a satellite and fibre optic network. This network could provide tele-medicine and tele-education and would also support e-governance, e-commerce, infotainment, resource mapping and meteorological services. This network would connect five universities, 53 learning centres, 10 super-specialty hospitals and 53 remote hospitals in the 53 Pan-African countries. The scope is immense, this network is just a small example of what we can do together.

We are also acutely aware that the process of economic development requires capital. You are aware, Ladies & Gentlemen, that in term of per capita income, we could hardly be considered a rich country. Yet, the accumulation of a relatively comfortable level of foreign currency reserves has enabled us to offer lines of credit as a useful resource to our friends in Africa. Taken together with our bilateral lines of credit to individual countries, our offers for NEPAD and TEAM-9 add up to something over a billion dollars. This is a sizeable sum of money for a country like India, and we hope that it can be used as a catalyst to build genuine, productive and sustainable partnerships in the development of industry, agriculture and infrastructure.

We have always believed that our successes be shared with our brother and friendly countries around the world and in particular, in Africa. Similarly, India has always been open and receptive and has assimilated experiences from around the world. We have a lot to learn and teach each other. It was the Bandung conference of 1955, which laid the foundations of the Non-aligned Movement and consolidated Afro-Asian solidarity. This year we are going to celebrate the 50th anniversary of this Conference. It is a good time for us to chart out our course for the next fifty years. I would

now like to open the floor for discussions on the new directions that India and Africa can follow together. I would like to hear your views on the future of our relationship and how we should construct it.



463. Press release of the Ministry of External Affairs on President of South Africa conferring “Order of the Companions of O R Tambo (Gold)” posthumously on former Prime Minister Jawaharlal Nehru.

New Delhi, April 23, 2005.

To commemorate the 50th Anniversary of the Bandung Conference, as a special recognition of the great pioneers of Afro-Asian solidarity, the President of South Africa has decided to confer South Africa’s highest award for foreigners – the Order of the Companions of O R Tambo (Gold) – posthumously on Prime Minister Jawaharlal Nehru of India and President Sukarno of Indonesia.

Smt. Sonia Gandhi had been invited to Pretoria to accept the award for our late Prime Minister Jawaharlal Nehru. Shri Rahul Gandhi, MP will be traveling to South Africa to receive the award on 26 April 2005 on her behalf. Ms Megawati Sukarnoputri is expected to receive the award for late President Sukarno.



464. Press release of the Ministry of External Affairs regarding Order of the Companions of O R Tambo (Gold) Award conferred posthumously on former Prime Minister Jawaharlal Nehru by South Africa.

New Delhi, April 26, 2005.

Today, Shri Rahul Gandhi, MP received the Order of the Companions of O R Tambo (Gold) from the President of South Africa, at a solemn national awards ceremony in Pretoria. On the 50th anniversary of the Bandung Conference, this Order – the highest award bestowed on foreigners “for friendship shown to South Africa” and “an order of peace, co-operation and active expression of solidarity and support” was conferred posthumously on Prime Minister Jawaharlal Nehru in recognition of “his exceptional contribution to the founding of the Non-Aligned Movement and striving for the ideals of equality and justice in the world”.

The text of the citation for the award given to late Pandit Nehru is attached.

Other recipients of this Order include late President Sukarno.

Late O.R. Tambo was one of the icons of South Africa's liberation struggle. He played a major role in the growth and development of the international movement of solidarity against racism and apartheid.

Shri Rahul Gandhi called on President Thabo Mbeki following the awards ceremony. He also met the leaders of African National Congress and the ANC Youth League and Minister in the Presidency, Mr.Essop Pahad.

Recent years have witnessed an upsurge in relations between India and South Africa. President Mbeki led a delegation of a dozen ministers to India in October 2003. President Abdul Kalam's visit – the first by an Indian President to the country – was an unprecedented success. External Affairs Minister Shri K.Natwar Singh visited South Africa in March 2005 for the second meeting of IBSA (India Brazil South Africa) Ministerial Joint Commission. In May 2005, his South African counterpart will travel to India for the bilateral Joint Commission.

Trade and tourism between the two countries is flourishing – with almost 25 % increase in Indian imports as well as number of South African

tourists traveling to India last year. Leading CEOs have set up a forum to work towards exploiting the synergies of the two economies. Led by Shri Rattan Tata on the Indian side, it will hold its second meeting in Mumbai in early May.

Text of Citation:

Jawaharlal Nehru (1889-1964)

Order of the Companions of O R Tambo in Gold

Awarded to Jawaharlal Nehru for His Exceptional Contribution to the Founding of the Non-Aligned Movement and Striving for the Ideals of Equality and Justice in the World.

Jawaharlal Nehru was born in 1889 in Allahabad, India. He studied mainly in Britain, first by attending the Harrow School in 1905 and later the Trinity College at the University of Cambridge.

He went on to study law at the Inner Temple in London, a profession which he took back to India and practiced for about seven years. In 1919, Nehru joined the Indian National Congress (INC) and through his leadership role helped India to gain its independence from England.

Over the years, Nehru and the INC's leader, Mahatma Gandhi, developed a strong relationship. Both fought for their country's freedom, though they did not always agreed about the direction in which they wished India to grow. Nehru became the President of the INC six different times, the first being in 1929.

Nehru spent many years in prison for leading several non-violent civil disobedience campaigns in India, which involved defying the Government by refusing to obey certain laws. While in prison, Nehru wrote several books, including *Toward Freedom*, *The Discovery of India*, and *Glimpses of World History*, which became popular in several parts of the world and inspired many leaders of the National Liberations Movements in Asia and Africa.

In 1947, two years after the end of World War II, Nehru served simultaneously as the Prime Minister and Minister of Foreign Affairs of India. Through his hard work, agricultural production increased and the economy grew.

As Prime Minister during the Cold War in the 1950s, Nehru urged

his country's people to remain non-aligned in foreign matters. His quest for global peace saw him opposing nuclear testing of any kind and military invasions by aligned forces. Under his leadership, India organized the Asian Relations Conference. It chaired the International Control Commission in 1954 and was a major player in organizing the Bandung Conference in 1955. The Conference adopted a resolution that became known as the 'Dasa Sila' or 'The Ten Principles' of Bandung. It strived for world peace, respect for one another's sovereignty and territorial integrity, and for non-interference in one another's internal affairs. The resolution also sought to uphold the human rights principles of the United Nations. He was also deeply passionate about bringing about Afro-Asian unity.

The Asian-African Conference became the embryo of the Non-Aligned Movement (NAM). The seeds that sprouted in Bandung took firm root six years later when 25 newly independent countries formally founded the NAM at the Belgrade Summit of 1961. India has played an active role in strengthening the NAM and making it an effective voice in representing the collective aspirations and interests of the developing countries on such vital issues as development, peace and stability.

Nehru is fondly remembered for fighting long and hard, even spending time in prison, to gain India's independence and for supporting the struggle against apartheid.



465. Press release issued by the Ministry of External Affairs on the Sixth session of the India-South Africa Joint Ministerial Commission.

New Delhi, December 5, 2005.

Rao Inderjit Singh, Minister of State for External Affairs, along with his counterpart from South Africa, Mr. Aziz Pahad, inaugurated the sixth session of the India-South Africa Joint Ministerial Commission on 5th December, 2005. The South African delegation includes Mr. Jabulani Moleketi, Deputy Finance Minister, and a 40-member official delegation. The Joint Commission was preceded by a meeting of senior officials chaired by Smt. Shashi Tripathi, Secretary (West) on the Indian side and Mr. Anil Sooklal, Deputy Director General from the South African side. Sub-committees of the Joint Commission met from 2nd December.

To facilitate the work of the Joint Commission, Foreign Office Consultations were also held between the two sides at the level of Secretary on 2nd December.

Rao Inderjit Singh while welcoming the South African delegation noted the growth in the political and economic ties between India and South Africa and stressed that though several ambitious agreements have been signed the pace of implementation would have to be expedited.

The inaugural 6th session of the Joint Ministerial Commission reviewed the whole gamut of relations between the two countries, encompassing political, commercial and economic matters, including science & technology, culture, education, health, energy, information and communications technology and human resource development.

MOS Rao Inderjit Singh noted the positive developments that have taken place in bilateral relations since the 5th session of the Joint Ministerial Commission which took place in Pretoria in July, 2003¹. There has been a State visit of President Mbeki in October 2003 and the return visit of President

1. On December 3 the Official Spokesperson briefing the media on the meeting said that "many positive developments have taken place in bilateral relations since the 5th session of the Joint Ministerial Commission which took place in Pretoria in July 2003. There has been a State visit of President Mbeki in October 2003 and the return visit of President Kalam in September 2004 - the first ever by the Indian President to South Africa - which have been milestones in the strategic partnership between the two countries. Active exchanges have taken place between India and South Africa including frequent Ministerial visits as well as

Kalam in September 2004 – the first ever by the Indian President to South Africa – which have been milestones in the strategic partnership between the two countries.

Rao Inderjit Singh further noted that active exchanges that have taken place between India and South Africa including frequent Ministerial visits as well as those of official and business delegations. Of particular significance has been the visit of the Ministerial delegation led by Hon'ble Geraldine Fraser-Moleketi, Minister for Public Service and Administration, to India from November 14-18, 2005 to discuss cooperation in capacity building as well as mechanisms to facilitate skills transfers and cooperation in key sectors.

At the concluding session of Joint Commission on December 6, 2005, the two sides will also exchange Instruments of Ratification of the Extradition Treaty and of the Agreement on Mutual Legal Assistance in Criminal Matters.



466. Agreed minutes of the Sixth Session of India-South Africa Joint Ministerial Commission meeting.

New Delhi, December 6, 2005.

1. The sixth session of the South Africa-India Joint Ministerial Commission was held in New Delhi on 5-6 December, 2005. It was co-chaired by H.E. Rao Inderjit Singh, Minister of State for External Affairs of the Republic of India and H.E. Mr. Aziz Pahad, Deputy Minister of Foreign Affairs of the Republic of South Africa.
2. The composition of the two delegations is set out in Annexures¹ I and II.
3. During the visit, Mr. Aziz Pahad called on the President of the Republic of India, H.E. Shri Abdul Kalam.

those of official and business delegations. Of particular note has been the visit of the Ministerial delegation led by Hon'ble Geraldine Fraser-Moleketi, Minister for Public Service and Administration, to India from November 14-18, 2005 to discuss cooperation in capacity building as well as mechanisms to facilitate skills transfers and cooperation in key sectors.”

1. Not included here.

4. The sixth session of the Joint Ministerial Commission provided the opportunity for a review of the whole gamut of relations between the two countries, encompassing political, commercial and economic and defence matters as well as fields like science and technology, culture, education, health, different aspects of energy, information and communications technology and human resource development.

5. In his opening statement, Indian Minister of State Rao Inderjit Singh stated that India-South Africa bilateral relations remain close and emphasized the need to accelerate the implementation of existing bilateral agreements and the need to conclude agreements which are in the pipeline. He recalled the visit of President Mbeki to India in October 2003 and that of President Kalam to South Africa in September 2004, which have reinforced the relationship into a truly strategic partnership. Mr. Singh also highlighted the Indian public and private sector initiatives to foster business relationships with South Africa especially in the field of small and medium enterprises.

6. Mr. Singh emphasized that India and South Africa had a commonality of views on most of the issues concerning UN reforms. He expressed the hope that the African Union would agree with the G-4 that an early expansion, which brings in developing countries, including two from Africa, as permanent members, is in the Continent's best interest, and that South Africa will work closely with India towards this end. Mr. Singh highlighted the scourge of terrorism and emphasized the need for both the countries to develop institutional linkages to counter this menace.

7. Minister of State Rao Inderjit Singh touched on India's participation in Pan-Continental and regional initiatives like NEPAD, SADC and SACU where South Africa has a leading role. He particularly recalled President Kalam's announcement to undertake the electronic and knowledge connectivity mission for Africa towards which India has already signed a MOU with the African Union. He invited South Africa to participate in the project.

8. In his opening statement, South African Deputy Foreign Minister Mr. Aziz Pahad paid tribute to the good relations that have flourished between South Africa and India over the past ten years. He reiterated the statement made by President Mbeki during his state visit to India in 2003 that, "India is a friend for All Seasons". He, furthermore, referred to the mutual trust and understanding that has extended to every sphere of endeavour, especially

in political, economic, defence, scientific, technological and cultural fields.

9. The Minister expressed South Africa's appreciation of India's continuing support for NEPAD, and specifically the undertaking given by President Kalam during his address to the Pan African Parliament in 2004, to connect all 53 countries of the African Union via a satellite and fibre optic network. In this regard the signing of the MoU for setting up of a Pan-African e-Network on October 2005 in Delhi was welcomed.

10. Minister Pahad stressed the role that India and South Africa should play in facing the central challenge to ensure that globalisation becomes a positive force for all the world's people. He noted that global realities demand that India and South Africa consolidate sustained efforts to achieve a shared vision of a more prosperous, equitable and peaceful global order. In this regard, the Minister emphasised the vital importance of efforts to strengthen the UN system, including the need for balance in an expanded security council, progress regarding implementation of the Millennium Development Goals and WTO Ministerial Meeting to be held in Hong Kong.

11. Both sides took note with satisfaction of the many positive developments in bilateral relations since the fifth session of the Joint Ministerial Commission took place in Pretoria in July 2003. They agreed that the State visit of President Mbeki to India in October 2003 and the return visit by President Kalam in September 2004 – the first ever by an Indian President to South Africa - were milestones in the strategic partnership which was evolving between the two countries.

12. Both sides recalled that in the Joint Declaration signed during the visit of President Mbeki, the commitment of the two countries 'towards a strategic partnership, based on their shared values: democracy, economic development with social justice, and a just and equitable global order' had been reaffirmed. They agreed that these common values were the pillars on which bilateral relations were based.

13. They reviewed progress on the following significant agreements signed during the visits of President Mbeki and President Kalam :

- (i) Extradition Treaty
- ii) Agreement on Mutual Legal Assistance in Criminal Matters,
- (iii) Agreement on cooperation in the field of power

- (iv) Agreement on cooperation in the field of hydrocarbons
- (v) MOU for Cooperation in the field of Information and Communications Technology

14. The Instruments of Ratification of the Extradition Treaty and the Agreement on Mutual Legal Assistance were exchanged on 6th December, 2005 during the Joint Commission meeting, enabling them to enter into force. It was also agreed that Joint Working Groups in the fields of power, hydrocarbons, information & communications technology will meet soon.

15. Both sides took note of the active exchanges between India and South Africa, including frequent Ministerial visits as well as those of officials and business delegations. They took particular note of the visit of the Ministerial delegation led by the Hon Geraldine Fraser Moleketi, Minister for the Public Service and Administration to India from November 14-18, 2005 to discuss cooperation in capacity building as well as mechanisms to facilitate skill transfers and recruitment to meet gaps in some key sectors in South Africa.

16. The two sides discussed a wide range of global issues including international economic relations, the forthcoming Hong Kong WTO Ministerial meeting and South-South Cooperation including the New Afro-Asian Strategic Partnership. Other important matters discussed included the prospects of economic development, stability and security on the African continent.

17. The two sides expressed satisfaction at the progress in cooperation under the IBSA (India, Brazil and South Africa) Dialogue Forum. The Ministers agreed that the decision to hold a summit-level IBSA meeting in 2006 in Brazil would further consolidate this unique trilateral cooperation.

18. Both sides agreed that joint initiatives will be undertaken in commemoration of the Centenary celebrations next year of the launch of the Satyagraha Movement by Mahatma Gandhi on September 11, 1906 in South Africa.

19. The two sides noted with satisfaction that bilateral trade had grown over 2003 by almost 30% and the upward trend was likely to be maintained in 2004. Joint ventures and investments had also increased and diversified in both directions. They agreed that South Africa's participation as a partner country in the annual Indian Engineering Trade Fair in February 2005 and

the 'Enterprise India' and the "Made in India" exhibitions in South Africa had created greater awareness of each other's capabilities. They agreed that the Preferential Trade Agreement between India and SACU would give further impetus to bilateral trade and urged its early conclusion.

20. To facilitate the work of the Joint Ministerial Commission, the following Sub-Committees met separately:-

- (a) Political, Defence and Security Matters
- (b) Trade, Economic and Technical Cooperation
- (c) Science and Technology including agriculture
- (d) Arts, Culture, Sport & Recreation

21. In view of the substantial potential for cooperation which had emerged in these fields, the Ministers agreed to set up the following new sub-committees to assist the Joint Ministerial Commission in its work, which also met separately :-

- (a) Communications and Information Technology; and
- (b) Human Resource Development

22. The two Ministers considered and approved the reports of the six Sub-Committees, which form an integral part of the Agreed Minutes of the fifth session of the Joint Ministerial Commission. They urged that the action points contained in these reports be followed up vigorously with a view to timely implementation.

Done at New Delhi on 6th December 2005 in two originals in English, both texts being equally authentic.

For the Government of the Republic of India

(Rao Inderjit Singh) Minister of State for External Affairs

For the Government of the Republic of South Africa

(Mr. Aziz Pahad) Deputy Minister of Foreign Affairs



SUDAN

467. Statement by Official Spokesperson on the peace accord signed between the Government of Sudan and the Sudan People's Liberation Movement.

New Delhi, January 9, 2005.

The Government of India welcomes the peace accord signed between the Government of Sudan and the Sudan People's Liberation Movement on 9th January 2005 in Nairobi under the auspices of the Inter Governmental Authority on Development (IGAD). This accord is demonstrative of the statesmanship of the leaders of both sides, President Omer Bashir and Dr. John Garang, and will not only put an end to two decades of civil war in Sudan but also pave the way for more rapid economic progress and development in the entire nation.

We also note that this accord is a successful demonstration of direct peace negotiations between the parties concerned, arrived at by mutual accord within the State without resort to force, in a peaceful manner, and will further strengthen the integrity and sovereignty of a multi-ethnic and pluralistic State such as Sudan. It will also bring greater stability to the region and enable Sudan to play its rightful role in the region.



468. Press release of the Ministry of External Affairs on Sudan-India Foreign Office Consultations.

New Delhi, February 14, 2005.

The 4th Session of the India-Sudan Foreign Office Consultations was held in New Delhi, India, during 10-12 February 2005, on the eve of the Golden Jubilee year and 50th Anniversary of the establishment of diplomatic relations between Sudan and India. The Indian side was headed by H.E. Shri Rajiv Sikri, Secretary-East, Ministry of External Affairs, while the Sudanese side was led by H.E. Mr. Awad Al Karim Fadlalla, Advisor to the Minister of Foreign of the Republic of the Sudan.

2. The Consultations were conducted in a spirit of brotherhood and solidarity and were guided by the determination and commitment of the two countries to enhance and consolidate their bilateral relations in all fields.

3. At the bilateral level, the two delegations reviewed the current status of their relations since the holding of the Joint Ministerial Commission in Khartoum during April, 2000, including the level of implementation of the bilateral projects as well as the outcome of the various agreements and MoU's signed between them. In this connection the two sides expressed satisfaction over the progress realized and reinforced by the recent visit to Sudan by H.E. the President of the Republic of India, Dr. A.P.J. Abdul Kalam, and hailed the expansion of their bilateral relations, especially in the hydrocarbon sector, while pledging to consolidate and further strengthen ties and relations in all economic, investment, trade, cultural, scientific and technological domains. To that end, the two sides expressed their conviction that the forthcoming meeting in New Delhi of the Joint Ministerial Commission would greatly enhance and advance their bilateral cooperation in all such fields and endeavours.

4. The Sudanese side briefed its Indian counterpart on the landmark achievement of the Peace Accord signed in the Sudan and on-going efforts to ensure peace, stability and development throughout the country. The Sudanese side expressed its appreciation for India's participation, at ministerial level, in the signing ceremony, and welcomed India's involvement in the post-conflict challenges of rehabilitation and reconstruction. The Sudanese side commended India's principled commitment to Sudan's unity, territorial integrity, stability and prosperity. The Indian delegation welcomed

the request forwarded by the Sudan Government for membership as dialogue partner in the Indian Ocean Rim Organization, and agreed to assist Sudan in the process towards its accession to the WTO.

5. On regional issues, the two sides reviewed the situation in Africa and underscored the imperative for peace and development in the continent. The Indian side briefed its Sudanese counterpart on the various economic initiatives undertaken by the Government of India within the context of the historical ties between India and Africa. Both sides expressed the confidence that the proposed African Union-India dialogue would further enhance and consolidate those historical ties between the two regions. On the Palestinian question the two sides reiterated their positions regarding the resumption of the Peace Process and the early establishment of the independent Palestinian State in accordance with relevant UN and Security Council Resolutions.

6. The two sides exchanged views on international issues of mutual concern. They stressed their commitment to multilateralism and the urgent need for restructuring of the United Nations, particularly the Security Council, in order to adequately serve the interests of developing countries. The two sides also expressed their rejection to terrorism in all its forms and manifestations. They further stressed the imperative of South-South cooperation. The two sides hailed the 50th anniversary this year of the Bandung Conference and expressed their conviction that the challenges faced by developing countries would greatly be overcome through stronger solidarity between them. The two delegations pledged to ensure cooperation and coordination between the two countries within relevant international organizations and forums.

7. The Sudanese delegation expressed its sincere gratitude for the warm reception and the kind hospitality extended to them throughout the visit. At the end of their deliberations the two sides agreed to hold the Joint Ministerial Commission in New Delhi in the second half of 2005 and the 5th Session of the Foreign Office Consultations in Khartoum during 2006. Exact dates will be agreed upon later and communicated through diplomatic channels of the two countries.



469. Speech by Minister of State E. Ahamed at the Donors' Conference on Sudan.

Oslo, April 11, 2005.

Mr. Chairman,

Excellencies, Ladies and Gentlemen,

I am pleased to be here today at this pledging conference for Sudan. India has historically had excellent bilateral relations with Sudan, and there is a long tradition of friendship and a fund of goodwill at the people-to-people level.

2. This historic Comprehensive Peace Agreement reached between the Government of Sudan and the Sudan Peoples' Liberation Movement on January 9 this year at Nairobi, witnessed by delegations from around the world including mine, was symbolic of the enduring unity of the Sudan and the high statesmanship and long term vision of the leadership of the two sides. The roles of the Inter Governmental Authority on Development and of the African Union in pushing forward these negotiations through difficult years are commendable. We welcome the progressive Comprehensive Peace Agreement, and the steps taken towards its implementation which also forms in part the basis of this pledging conference.

Mr. Chairman and Excellencies,

3. Sudan now needs the generous support of the international community for greater integration in its reconstruction efforts and capacity building in a number of sectors. The 21st century brings with it many challenges, political, economic and social. At this critical juncture in Sudan's modern history of integration and reconstruction, India reiterates its support for the unity, sovereignty and territorial integrity of the Sudan. I would like to reiterate the continuing support and goodwill of the Government and people of India for the peace and prosperity envisaged by the Comprehensive Peace Agreement for the multi-ethnic society of the Sudan.

4. India will continue to work with the Sudan in the path of further political devolution, economic progress and accelerated development in keeping with our traditional good relations with Sudan.

5. I am happy to announce a pledge at this Conference on behalf of the Government of India of US dollars ten million for Phase One of Sudan's reconstruction as envisaged by the Joint Assessment Mission; that is up to 2007. The modalities of utilisation of this amount may be worked out in due course for effective utilization of the funds. Our preference would be to use this assistance for infrastructure, capacity building and social sector projects such as hospitals and educational institutions around the country. In addition, India offers to Sudan concessional credit lines of US dollars one hundred million for specific projects in the North and South that can be identified in consultation with the Government of Sudan later in the year.

6. This will be in addition to the bilateral assistance under our South-South Technical Assistance Programme and as in the case of projects, will be both in the North and the South of Sudan. These projects include training as well as building of infrastructure; and training includes capacity building in agriculture, health services, IT governance, vocational training, etc. India delivered 20,000 tons of wheat in humanitarian assistance as grant for the people of Darfour in March this year. India with its long tradition of peace-operations will also participate in the U.N. Support Mission in Sudan on the request of the United Nations.

7. We trust that this Conference and the pledges made here would be a significant step in bringing about peace and prosperity in Sudan as envisaged by the Comprehensive Peace Agreement. The agreement is a model for the peaceful resolution of internal conflicts through a negotiated settlement.

8. Mr. Chairman and Excellencies, in conclusion I wish to thank the host Government for their invitation for the participation of the Government of India at this Conference and for the excellent arrangements made for the Conference and for the participating delegations. On behalf of my Government and people I also extend all good wishes and success to the leaders of Sudan, President Bashir, First Vice President Taha and Chairman of the Sudan Peoples' Liberation Movement Dr. John Garang in their new tasks.



470. Media briefing by Official Spokesperson on the meeting between the External Affairs Minister K. Natwar Singh and Sudanese Foreign Minister Mustafa Osman Ismail.

New Delhi, June 7, 2005.

He (the Sudanese Foreign Minister) had bilateral discussions early this afternoon with the External Affairs Minister Shri Natwar Singh. The meeting lasted about 45 minutes.

Much of the meeting focused on bilateral relations, in particular, Indian investment in Sudan and the opportunities for enhancing economic cooperation between the two countries. As you know India already has major investment in the hydrocarbon sector to the tune of a billion US dollars in Sudan. India is also involved in rebuilding the pipeline from Khartoum to Port Sudan. That is another investment, if I get the figure right, of about 194 million US dollars. So, since we have already have a major investment in the hydrocarbon sector, naturally, this was discussed and further possibility of enhancing this were discussed.

In addition, the Foreign Minister of Sudan informed the External Affairs Minister that Sudanese economy was opening up and they were looking at possibilities of Indian investment in other areas besides hydrocarbons. These include: infrastructure, railways, IT, agriculture, science and technology and health. It was decided that the new areas of economic cooperation could be approached and also incorporated formally to bilateral relations when we have the next Joint Commission Meeting later this year. Sudanese Foreign Minister also asked that Sudanese diplomats be trained in India in specialized programmes. This was agreed to by the External Affairs Minister. Other regional issues discussed included Iraq and Palestine. External Affairs Minister briefed the Sudanese Foreign Minister on India's relations with its neighbouring countries.

To give you some more background, railways was one of the areas that was mentioned for cooperation. Railway companies and companies like BHEL have done good work earlier in Sudan and now there are possibilities of including private companies in this. Again, by way of background, I may mention that India had welcomed the signing of the comprehensive peace agreement in Sudan. India also attended in April the Donors' Conference in Oslo and pledged 100 million US dollars as

concessional bilateral credits and 10 million US dollars as grants for economic reconstruction. A contingent of 3,500 Indian troops is also being sent at a special request of the UN and the Sudanese government to safeguard the peace agreement. Indian troops form about one-third of the total troops.

The Foreign Minister of Sudan will be meeting the Prime Minister later this evening¹.



471. Joint Statement issued at the end of the visit of Foreign Minister of Sudan Dr. Mustafa Osman Ismail.

New Delhi, June 8, 2005.

The Foreign Minister of the Republic of Sudan, H.E. Dr. Mustafa Osman Ismail paid an official visit to India from 6-8 June, 2005 at the invitation of Hon'ble Minister of External Affairs, Shri K. Natwar Singh. This is in keeping with the tradition of high level visits between the two countries including that of President Abdul Kalam to Sudan in October, 2003 and of the Sudanese Interior Minister H.E. Major General Engineer Abdulrahim Mohamed Hussein to India in January, 2005 in recent years.

During the current visit, H.E. Dr. Mustafa Osman Ismail called on Hon'ble Prime Minister and handed over a written message from H.E. Mr. Omar Hassan Al Bashir, President of Sudan and was also received by Hon'ble External Affairs Minister Shri K. Natwar Singh on 7 June, 2005. He had wide-ranging discussions with Indian leaders on bilateral, regional and multilateral issues. The Indian and Sudanese leaders underlined the need for urgent and meaningful reform of the UN and its organs, in particular the Security Council to reflect the needs and aspirations of the developing countries. In this context, the Sudanese Foreign Minister Dr. Mustafa Osman Ismail reiterated Sudan's firm and consistent support for the early entry of India to permanent membership of the UN Security Council. The Minister

1. When asked if the Sudanese Foreign Minister briefed the EAM on the situation in Darfur, Navtej Sarna the Spokesperson replied: "I do not have a verbatim report but I would expect that the Sudanese Foreign Minister briefed EAM on the internal situation."

elaborated on the African position reached at the Ministerial meeting in Swaziland on the question of the UN reform to which Sudan is committed.

India reiterated its support for the sovereignty, unity and territorial integrity of Sudan. The Sudanese side appreciated that India had attended the historic signing ceremony of the Comprehensive Peace Agreement (CPA) between the Government of Sudan and the Sudan People's Liberation Movement (SPLM) at Nairobi on 9th January, 2005 and also the Oslo Donors' Conference on Sudan, April 11-12, 2005 at the Ministerial level, and that India is contributing more than 3,000 of the 10,000 troops for the UN support Mission in South Sudan.

The Sudanese Foreign Minister briefed the Indian leaders on the internal situation in Darfur in detail. India reiterated its position that the situation in Darfur is an internal crisis that has to be resolved by the Government of Sudan in consultation with the AU. India appreciated the efforts of the Government of Sudan in consultation with the AU in bringing the situation to normalcy. India in response to the humanitarian crisis had given 20,000 tonnes of wheat. India was not in favour of sanctions which could be counter-productive.

India has made a significant investment in the oil sector in Sudan. Discussions in economy and trade covered enhanced bilateral cooperation in the hydrocarbon, power, small-scale industries, civil aviation, agriculture, infrastructure, IT, health care, pharmaceuticals and other development-related sectors. It was agreed to look at ways and means of strengthening the framework and expanding areas of cooperation. Dr. Ismail, and his delegation interacted intensely with Indian public and private sector organisations and companies dealing with major infrastructure, hydrocarbon, power, IT and other sectors as well as with business organizations, FICCI, CII and ASSOCHAM. The next session of the Joint Commission at the level of Foreign Ministers will be convened in the later half of 2005.

The Indian and Sudanese leaders also discussed regional issues such as Palestine and Iraq. The Indian leaders briefed the Sudanese Foreign Minister on the various steps undertaken to improve India's multi-faceted relations with its neighbours. India's policy towards the Arab world including on the Palestine issue and with its neighbours was appreciated¹.

1. The Sudanese Foreign Minister promised special treatment to the Indian companies investing in Sudan. He said that China was presently the largest investor in Sudan with total investment

Both India and Sudan consider the visit of H.E. Dr. Mustafa Osman Ismail, Foreign Minister of Sudan as another step in enhancing the cordial relationship between India and Sudan and engaging in regular and meaningful dialogue for mutual benefit.



472. Condolences of President Dr. A. P. J. Abdul Kalam on the death of First Vice-President of Sudan in an air crash.

New Delhi, August 2, 2005.

The President, Dr. A.P.J. Abdul Kalam has condoled the death of the First Vice-President of Sudan, Dr. John Garang de Mabior in an air crash near the Uganda – Sudan border.

In a condolence message to the President of Sudan, Field Marshal Omer Hassan Ahmed Al – Bashir, the President has said, “We learn with deep shock and sorrow about the untimely and tragic death of His Excellency, Dr. John Garang de Mabior, First Vice-President in an air crash last night near the Uganda – Sudan border.

Dr. Garang, who along with Vice-President Omar Taha had negotiated the historic peace treaty between North and South Sudan, will be remembered for his visionary leadership in helping bring peace to Sudan after decades of strife.

On behalf of the Government and people of India, I extend my deepest condolences to Mrs. Garang and the people and the Government of the Republic of Sudan”.



of eight billion dollars. He said that his country has received specific proposals from some Indian companies, which would be reviewed favourably. India has already major investment in the oil sector in Sudan totaling a billion dollars. India is likely to extend a \$ 500 million credit line to Sudan in view of the emerging opportunities for domestic business according to the visiting Foreign Minister. He said that he got this indication during his meeting with the Prime Minister.

473. Joint statement issued at the end of the visit of Minister of State E. Ahamed to Sudan.

Khartoum, November 9, 2005.

H.E. E. Ahamed, Minister of State for External Affairs of India led a twenty member high level official and business delegation to Sudan from 06 November 2005¹. The business delegation represented leading Indian companies in agriculture, civil construction, airports, railways, energy, consultancy, mining etc. The visiting Minister and his delegation called on the President of the Republic of Sudan and had meetings with the Ministers of Agriculture and Energy and Mining, and the Ministers of State for Foreign Affairs and Investment. The delegation also visited Juba. The Indian business delegation had intensive discussions with their Sudanese counterparts.

2. During his visit, the Minister of State of India discussed opportunities and perspectives for utilization of the US\$ 10 million grant and US\$ 100 million concessional Line of Credit offered by India at the April 2005 Donors Conference in Oslo. The mutually identified areas of priority interest include agriculture, infrastructure, human resource development, information technology and small and medium industries. Implementation of agreed projects will begin early next year making India the first country to deliver on its pledge.

3. A high level Indian delegation will participate in the celebrations for

1. Giving the background to the visit, the Spokesperson Navtej Sarna told a media briefing on November 5 that the Minister would be heading a high level delegation of representatives from important PSUs and business organizations like FICCI, CII and ASSOCHAM. This was the first official visit from India to Sudan after the formation in September 2005 of the Government of National Unity in Sudan as envisaged under the historic Comprehensive Peace Agreement signed between the Government of Sudan and the Sudan People's Liberation Movement. The Spokesperson said the visit was aimed at establishing high-level political contact with the Sudanese Government of National Unity. Shri Ahamed had represented India at the signing of the historic Comprehensive Peace Agreement in Nairobi in January 2005 between Government of Sudan and Sudan People's Liberation Movement under Dr. John Garang and also at the Donors' Conference on Sudan in Oslo in April 2005. At Oslo, India has pledged a grant of US\$10 million, and a concessional Line-of-Credit of US\$ 100 million for the reconstruction of Sudan. Giving a background to the India – Sudan bilateral relations Sarna said: "India and Sudan have had traditionally friendly and cordial relations, which have been further reinforced by the State Visit of the President of India to Sudan in 2003. India and Sudan have a wide range of economic and trade relations, in traditional and upcoming sectors. People-to-people contact between cultural centers and Universities and under the ITEC programme are also on the increase."

the fiftieth Independence Day of Sudan in January 2006, as well as in the African Union Summit in Khartoum in January 2006 and the Arab League Summit in March 2006. An exclusive exhibition of Indian products and technologies called "Advantage India" will be organized in Sudan in March 2006.

4. In 2006, the next meeting of the India-Sudan Joint Commission will be held at Ministerial level in New Delhi and the next round of Foreign Office consultations in Khartoum.

5. The visiting Indian Minister reiterated the invitation to the President of Sudan to visit India. The dates of the visit will be finalized through diplomatic channels.



INDIA'S FOREIGN RELATIONS - 2005

Section - IX Americas

NORTH AMERICA

CANADA

474. Joint press conference by Prime Minister Dr. Manmohan Singh and Prime Minister of Canada Paul Martin.

New Delhi, January 18, 2005.

Prime Minister of India: I am very glad to speak to you today after my discussions with Canadian Prime Minister Paul Martin, an old friend and valued colleague. We reviewed our bilateral ties and discussed important international issues. Prime Minister Martin extended his condolences at the losses we have suffered on account of the tsunami and I deeply appreciate his sympathy and solidarity. We discussed how the world can cope better with such disasters and have agreed to work together along with others in developing an international tsunami warning system.

Our talks focused on the core elements of our bilateral ties: trade and investment, science and technology and cooperation in environment and health. We have identified some specific measures in these fields that I hope would lead to new initiatives.

Some proposals we agreed, that I would like to mention here, include commissioning report to advance S&T cooperation, encouraging a CEO's roundtable on trade and investment promotion and giving serious consideration to a partnership in environmental technologies.

The role and place of the Indian community in Canada was a topic of particular significance in our exchanges. It is my deep hope and aspiration that very soon, it will not be necessary for Indians to go abroad to demonstrate their entrepreneurship. In the meanwhile, it is important for us to take steps to maintain strong linkages with the Indian-Canadian community and facilitate contacts with their heritage. I take the occasion to recognize the members of the Canadian delegation present among us who are of Indian origin. They have done us proud in Canada.

Prime Minister Martin and I also discussed the international situation, including Afghanistan, Iraq and South East Asia. I informed him of political developments in our region and expressed the hope that we were heading

for better times. He proposed an interesting initiative in the global context, which I am sure the Prime Minister will speak about. I welcomed the proposal.

Prime Minister Martin was good enough to invite me to visit Canada and I have accepted the invitation with pleasure.

Prime Minister of Canada: Let me just begin by saying on my behalf, on behalf of the Members of Parliament who are here with me, Minister, and on behalf of the Canadian people, our very deep regrets and condolences for the loss of life and suffering as a result of the tsunami. Let me also congratulate India and you Prime Minister for the very quick work that was done by the Indian government, by your military forces in helping not only the recovery within India but also the recovery in Indonesia and Sri Lanka. India's role is manifest in terms of its ability to reach out beyond its borders and help others.

Let me also say what a great pleasure it has been to see you again. Prime Minister and I were Ministers of Finance together. We would agree, I would suspect, that this is ideal training to become Prime Minister. Prime Minister was one of the great Ministers of Finance. If you take look at the economic recovery, the great progress that has been made in India's economy, it is in no small measure due to his efforts.

We did discuss a wide range of areas which the Prime Minister has outlined, so I would not repeat them, except to say that when you think India graduates some 380,000 engineers every year, it is understandable why the benefits to Canada, and I believe to both countries, of a cooperation in terms of science and technology is so evident. We look forward on what is already a strong foundation to building this and as a result of our discussions today we have asked our respective science advisors to immediately begin to put together the list of priorities.

I am also delighted to say that Prime Minister Singh has agreed that the concept an L-20 which is to say a Leaders-20 based on the already existing Finance Ministers-20 which gives really the ability to deal with some of the world's major issues (and) that India is supportive of the concept.

There are, as some of you know, 10 Members of Parliament who are of South East Asian origin. The fourth largest language in Canada is actually Punjabi. I can tell you Prime Minister that there are many political meetings that I go to where I bring out my Punjabi, but I am not going to do

it here. I also want to say, on behalf of the High Commissioner, how glad we are to say that there are 9 new visa-granting officers and we are really going to improve the situation substantially. I think that also is going to solidify the relations between our two countries.

Question (CBC): My question is to both Prime Ministers. The holiest priest of the Sikh religion has issued an edict against same sex marriage. So to our Prime Minister I would like to ask how you think this would impact on support for your party among an important constituency and I would like to ask the Indian Prime Minister that as a Sikh yourself are you concerned at all about Canada's bid to legalize same sex marriage? (Laughter)

Prime Minister of India: You forgive me. I have not understood your question.

Question (CBC): You know that Canada is trying to legalize, to make legal, the marriage between two people of the same sex, so a man with a man and a woman with a woman, and I know that your holy priest has issued an edict against it recently.

Prime Minister of India: Well, I do not think it is proper for me to comment on internal Canadian affairs, but certainly, such a thing in our country would not have, I think, wide appreciation.

Prime Minister of Canada: Let me just say first of all that this is now the law of the land in seven Canadian provinces and one Canadian territory. This is a decision taken by our courts based on our Charter of Rights. This is a question of equality and the question that would ultimately arise is whether we will use the notwithstanding clause to take away that particularly right and I have made it clear that I would not so.

So, let me simply give you the background. The first is that what the courts have determined unequivocally is freedom of religion. This is a question of civil marriage, not a religious marriage. No church, no temple, no synagogue, no mosque will be forced to provide a marriage in any other way than those which are accepted by its own beliefs. And what the courts have said is that in fact the freedom of religion indicates that the definition of marriage will be determined by that particular religion. At the same time, I would point out that we are a country of ethnic and religious minorities. We

are a country of minorities. The purpose of the Charter of Rights is to protect minorities – to protect them against the oppression of the majority. That is the reason that you have a Charter and I believe that one of the reasons that Canada has been so successful in bringing together people from all around the world is that in fact we do understand religious freedom, we do understand the necessity for minorities to be protected so that in fact they can pursue their own faith and that they can pursue their own way. One of the most damaging things, I believe, to the Canadian concept of equality and respect for each other would be in fact if we allow the Charter to be attacked. This is an issue of rights.

Question (Parsa Venkateswar Rao): Did the Canadian government offer assistance with respect to the tsunami? And what was the Indian government's response?

Prime Minister of India: We discussed the role of international cooperation in dealing with disasters like the one we have experienced. We have agreed that in developing an early warning system our two countries will cooperate with other like-minded countries.

Prime Minister of Canada: Absolutely, there is a going to be a brainstorming session, I believe on January 21 and 22. There is a leading Canadian expert who is here on tsunamis and who will be sitting down with the other experts from the Indian government. Canada wants to participate along with India, recognizing the absolute necessity of having an early warning system - an early warning system obviously in this part of the world. But we in Canada should not think that we are exempt from the threats of tsunamis and we really do believe that in fact this has to be extended.

Question (Parsa Venkateswar Rao): Also with regards to the relief operations. Was there an offer with regard to the relief operations?

Prime Minister of Canada: Canada offered to all the affected nations our help and obviously (by) a number of countries that offer has been taken up. What I think is so impressive about India is that not only India has been able to deal with its own situation but in fact the Indian military and navy has been able to extend its help to its neighbours, primarily Indonesia and Sri Lanka.

(Question by Canadian journalist to Prime Minister of Canada on internal issue of Canada)

Question (Ranjit Kumar, *Navbharat Times*): My question is addressed to the Prime Minister of Canada. The Joint Statement issued just now refers to the strategic collaboration in selected areas of science and industrial technologies. Would this collaboration programme also include cooperation in the civilian nuclear field? In the changed circumstances would Canada like to resume cooperation in the civilian nuclear side?

Prime Minister of Canada: The fact is that it is my understanding that in fact within a matter of hours after the tsunami the Canadian AECL or Atomic Energy Cooperation contacted the Indian government to say that if there was anything that we could do to help, we were there and we wanted to participate, we wanted to help. We have a longstanding relationship with India, great history with India, and yet there have been some differences of opinion. I am sure that over time we can work this out and certainly at the time of this great tragedy we came forth and we said if there is anything we can do, we want to help.



475. Joint statement issued during the visit of the Prime Minister of Canada Paul Martin.

New Delhi, January 18, 2005.

The Prime Ministers of India and Canada met today, reviewing bilateral relations and discussing important international and regional issues. They agreed on initiatives that strengthen the India-Canada partnership

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1. On January 14 in a briefing to the media, the Official Spokesperson of the Ministry of External Affairs said: "Canada is an important G-8 nation with which India has a tradition of strong relations. We are both members of the Commonwealth and the ARF. The two nations, both federal in their polity, share values of pluralism and democracy. The presence of a large Indian community in Canada has given this relationship a special character. Relations between India and Canada have been growing steadily in recent years. Prime Minister Jean Chretien visited India in October 2003. We are engaging Canada across the broad agenda, covering global issues, investment and trade, science and technology, environment and academic exchanges. Bilateral trade between India and Canada was C\$2155 million last year. India runs an export surplus and its main export commodities are textiles and garments, iron and steel, organic chemicals, cotton and jewellery. Our imports from Canada are mainly wood pulp and newsprint, minerals, vegetable oils and precision equipment. Both countries have started investing in each other and leading Indian IT companies have established a presence in Canada. Canada has been actively supporting Indian projects in environmental

and contribute to addressing global challenges more effectively¹.

Prime Minister Martin extended his deepest condolences on behalf of the people of Canada for the tragic loss of life and damage as a result of the tsunami of 26 December 2004. The Prime Ministers briefed each other on their respective efforts in responding to the disaster and contributions to relief efforts in the region. The two Leaders underlined the need for a strong and sustained international response to such adversity and welcomed coordination of relief efforts resulting from their participation in the Core Group. A multilateral initiative for regional warning and natural disaster preparedness was recognised by them as a priority.

Prime Minister Manmohan Singh welcomed Prime Minister Martin's initiative for a meeting of G20 Leaders to discuss issues of global concern, such as terrorism, development and global public health.

They agreed to work towards the recommendations of the High-Level UN Panel on Threats, Challenges and Change and reiterated their commitment towards contributing to a more effective, representative and accountable world body.

Recent developments in their respective regions featured prominently in the talks, notably the transition to democracy in Afghanistan, India's dialogue with Pakistan, the situation in Iraq, developments in South East Asia and the Americas. They agreed that our countries should enhance their dialogues on international, regional and global strategic issues.

The Prime Ministers undertook to build upon the substantial progress in the bilateral partnership achieved during the last year and agreed to enhance the architecture of the Canada-India partnership as follows:

Science and Technology (S&T) Initiative: Direct designated scientific

management and sustainable development. We are looking forward to greater flows of environment friendly technology from that country. There are on-going discussions on furthering science and technology cooperation and the Prime Minister's visit is expected to give a boost to these efforts. Cooperation in developing tsunami warning system is also likely to come up for discussion. The two countries also work together in the Health sector and Indian Council of Medical Research has just signed an MOU on research in lifestyle diseases with its Canadian counterpart. The Indian community in Canada has made enormous progress in the last generation. Recognising their role as a bridge between the two countries, we would like to foster greater contacts with them and promote exchanges relevant to their heritage. It is expected that the two countries would discuss visa and consular services.

advisers on each side to report on advancing S&T collaboration, conclude an inter-governmental S&T arrangement and encourage strategic collaboration in selected areas of science and industrial technologies. India and Canada agreed to contribute expertise toward the creation of a tsunami early warning system for the countries of the Indian Ocean, in concert with multilateral efforts.

Environment: Recognising the importance of environmental management and sustainable development, agreed to deepen environmental cooperation, including the promotion of environmental friendly technologies.

Partnership for Prosperity: Support a CEO Roundtable that would make recommendations for expanding economic ties; conclude an Investment Promotion and Protection Agreement; and take additional steps contributing to greater investment and trade, including trade missions.

People to People Links: Recognising our shared community and common history as natural assets, they agreed to enhance people to people links through improved visa and consular services; strengthen health research cooperation; and renew our commitment to promote cultural ties in both countries.

To achieve the goals set out in this Statement, the two Prime Ministers committed themselves to sustained political engagement, a structured exchange of visits at the Cabinet level and to promote dialogues between their officials.

Prime Minister Manmohan Singh accepted an invitation extended by Prime Minister Martin to visit Canada.



476. Question in the Lok Sabha: "Verdict on Kanishka Air Crash".

New Delhi, April 20, 2005.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Union Government has examined the verdict given recently by the Supreme Court of Canada wherein all the accused of the Kanishka air crash have been exonerated;
- (b) if so, whether the Union Government has requested the Government of Canada to get the above verdict reviewed;
- (c) if not, the reasons therefor;
- (d) the number of Indians who perished in the above crash; and
- (e) the details of compensation paid, if any, to the kin of the deceased?

The Minister of State in the Ministry of External Affairs (Rao Inderjit Singh)

(a) Government has noted the judgment delivered on March 16, 2004 by the British Columbia Court regarding the Air India Kanishka bombing case.

(b) & (c) In response to a question, the Official Spokesperson of Ministry of External Affairs said on March 17, 2005 that "the Kanishka bombing has been the most heinous terrorist attack in civil aviation history". Government "share the sense of outrage among the relatives and friends of those who lost their lives in that attack that after almost two decades, the culprits have not been brought to account. Terrorism is recognised today as an action for which there can be no justification under any circumstances. It cannot have a rationale or context and the vast majority of nations and people reject it outrightly". Government share "the hopes of all those affected by this tragedy that one day, justice may yet be done". During the 7th Meeting of the India-Canada Joint Working Group on Counter Terrorism on April 11- 12, 2005, India again shared the sense of disappointment and outrage among the relatives of the victims of the Air India Kanishka bombing case.

Public Security Minister and Deputy Prime Minister of Canada Ms.

Anne McLellan has announced that she would appoint an independent advisor to examine the matter of a broader investigation. British Columbia Court of Appeal has given 30 days extension to the Prosecutors to appeal the acquittals of the two accused. The Canadian House of Commons passed a resolution with a vote of 172-124 on April 12, 2005 calling for a public enquiry into the investigation of the Air India bombing.

(d) Of the total number of victims in the Air India crash, there were 159 Canadian citizens, a majority of whom were of Indian origin, 148 Indians including 22 members of crew, 20 American and 2 British nationals.

(e) Compensation paid included about \$ 75,000 to non-earning adults, \$25,000 to children. Family members of the victims signed waiver agreements at the time of receiving the compensation.



477. Speech by Minister of State in Prime Minister's Office Prithviraj Chavan on the occasion of the 19th anniversary of the bombing of Air India's "Kanishka".

Ahakista (Ireland), June 23, 2005.

We have gathered here today to remember those lost in one of the worst terrorist attacks of our times, the bombing of the Air India aircraft "Kanishka". We mourn the 329 lives cut short by this senseless act of violence and twenty years later, time has neither dimmed our memories nor healed our wounds. We share the sorrows of their near ones, whose futures were for ever changed by this terrible tragedy. This is a very difficult occasion for many of you and I offer, on behalf of the Government of India, our sympathy and support.

Since 1985, the world has come to recognise better the face of terrorism and to understand its full consequences. Acts of violence targeting innocent victims can have no justification or rationale. There is no grievance that can make us accept such behaviour. No political thesis or claim of root causes can be an adequate explanation for terrorist actions.

Our opposition to terrorism tactics have to be firm and unwavering,

resisting any temptation to compromise for tactical or political ends. Terrorism is a threat to our very way of life and that a challenge of such magnitude has to be met with the strongest of determination. Today, if there is fuller awareness of the dangers that threaten us, it has not been without a terrible price.

Democratic societies are the natural targets of terrorism because they symbolise a pluralistic ethos that is irreconcilable with fanaticism and fundamentalism. The best defence of democracies lies in the rule of law and the process of justice. When the guilty are brought to book, it is not only a reaffirmation of our beliefs but a defeat for those who equate tolerance with weakness. Terrorism will inevitably exploit what it perceives to be vulnerabilities in democratic systems. At a political level too, the terrorist challenge must be firmly met by countering arguments of accommodation. The message that must go out from this anniversary should be resolute and uncompromising in its opposition to any form of political violence.

The Kanishka tragedy began in Canada and ended in Ireland, affecting countless lives in India, Canada and other countries. The impact of terrorism is universal and so too is its challenge. The fight against terrorism calls for a global response where we must pool resources and evolve a shared approach. Combating terrorism must transcend lesser priorities.

While grieving these twenty years, all of us, particularly those directly affected have hoped that the guilty would be brought to justice. Regrettably, we still await that closure and this makes each anniversary more difficult. The absence of justice makes it harder to come to terms with the consequences of this heinous crime. We feel the pain of the many families here today, and those in India and Canada who could not join us, and associate ourselves with their sentiments about this immoral act.

May I conclude by thanking the people of Ahakista and Bantry, the Irish Armed Forces, the Government of Ireland, which in the midst of this tragedy, have shown their generosity and selflessness? We will remain eternally grateful for all that they have done.



478. Press release of the Indian High Commission, Ottawa on the talks between External Affairs Minister K. Natwar Singh and the Canadian Foreign Minister Pierre Pettigrew.

Ottawa, September 26, 2005.

The Minister of External Affairs of India, Mr. K. Natwar Singh¹, today held talks with Canadian Foreign Minister Mr. Pierre Pettigrew in Ottawa.

The two Ministers, and their respective delegations, met for more than an hour, and discussed several issues of mutual interest, including bilateral relations and important regional and international security issues.

The two Foreign Ministers took stock of developments in bilateral relations since the meeting of Prime Ministers Manmohan Singh² and Paul Martin in January 2005. They expressed satisfaction at the progress in several key areas including economic and commercial cooperation, counter-terrorism, science and technology, and foreign policy issues. They agreed to remain in close touch over these and other areas of mutual interest.

They also discussed important regional and international security issues, including Afghanistan, South Asia, non-proliferation, arms control, and disarmament. In this context, they agreed to continue the high-level Strategic Issues Dialogue and Foreign Policy Consultations. They also announced that the two countries will host a workshop on financial remittance systems and terrorism in 2006. The two sides also agreed to explore ways to enhance energy cooperation between India and Canada.

The two Ministers announced a breakthrough in civilian nuclear cooperation by agreeing to develop a bilateral framework for nuclear safety collaboration. Canada also agreed to allow the supply of nuclear related dual use items to Indian civilian nuclear facilities under IAEA safeguards,

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1. The External Affairs Minister K. Natwar Singh was on an official visit to Canada from September 25-27, 2005, at the invitation of H.E. Mr. Pierre Pettigrew, Minister of Foreign Affairs of Canada. Immediately after his arrival in Ottawa on September 25 he met with a group of Indo-Canadian community in the Ottawa region. He spoke of the economic progress in India in recent years, and of the prospects for far greater interaction and co-operation between Canada and India in the future. EAM congratulated them for having made striking progress in all spheres – economic, academic, scientific and even political - in their adopted country.
 2. The EAM also conveyed a message from Prime Minister Manmohan Singh that he was looking forward to his visit to Canada in 2006.

with appropriate assurances consistent with the requirements of the Nuclear Suppliers Group Dual Use Guidelines. The Governments of India and Canada also agreed to pursue further opportunities for the development of the peaceful uses of nuclear energy both bilaterally and through the appropriate international fora, consistent with their international commitments.

Indian External Affairs Minister K. Natwar Singh welcomed Canada's ongoing support for the work of the Shastri Indo-Canadian Institute, which promotes mutual understanding between the two countries, with renewed emphasis on innovative science and technology partnership between Indian and Canadian member Universities.

The Indian External Affairs Minister thanked Mr. Pettigrew for the warm hospitality extended to him by the Canadian side, and reiterated India's commitment to continued high level engagement aimed at building a solid, long-term partnership with Canada.



UNITED STATES OF AMERICA

479. Press release issued by the Ministry of External Affairs on the India-US-IAEA meeting on Regional Radiological Security Partnership.

New Delhi, February 9, 2005.

A joint delegation of representatives from the US Department of Energy and the International Atomic Energy Agency (IAEA) visited India on February 9, 2005 for the first India-US-IAEA trilateral meeting on the Regional Radiological Security Partnership (RRSP) programme.

The US and the IAEA representatives welcomed India's participation in the RRSP programme as a Regional Partner and discussions were held to work out the modalities of this cooperation. The three sides acknowledged their shared objective of enhancing globally the security of dangerous radioactive sources. The US and the IAEA delegates expressed appreciation for India's offer of providing infrastructure and expertise on a regular basis for conducting international training courses in India under the aegis of the IAEA on issues related to the security of radiological sources and materials as also for locating orphan radioactive sources in countries which are unable to effectively deal with them and which seek assistance from the IAEA. The three sides agreed to continue further discussions on the subject.



480. Press release of the Ministry of External Affairs on India – United States meeting on missile defence.

New Delhi, March 4, 2005.

An India- US bilateral meeting on the subject of missile defense was held on March 3-4, 2005 in Hyderabad, India. The two sides continued discussions on issues related to missile defense and highlighted the security contribution that missile defenses can make. The US side inter alia briefed the Indian participants about the latest developments in the US missile defense programme. The Indian side presented its views on missile defense. The two sides also agreed to hold further exchanges, including joint workshops, on the subject.



481. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and the US Secretary of State Condoleezza Rice.

New Delhi, March 16, 2005.

Official Spokesperson: Good Evening. You already have had a briefing on the meeting between Dr. Condoleezza Rice and External Affairs Minister Shri Natwar Singh. Thereafter she met the Leader of Opposition Shri L.K.Advani. She called on the Prime Minister. There was a restricted delegation meeting of the US Secretary of State and the Prime Minister's Office and the Ministry of External Affairs. There was also a one-on-one meeting between the Prime Minister and Dr. Rice.

Some of the points that I have out of the discussions I will share with you. She told the Prime Minister that it was decided by President Bush that she should visit India early on in her tenure as Secretary of State and in his second term in order to convey the President's strong commitment to the bilateral relationship between India and the United States and the great importance that he attaches to this relationship. She conveyed an invitation from President Bush to the Prime Minister to visit Washington. She also invited the External Affairs Minister to visit the United States.

The Prime Minister explained to Dr. Rice India's growing energy

needs in view of our rapid economic growth. It was pointed out that the two countries can cooperate closely in this area and hence the need for an energy dialogue covering all aspects including various traditional and non-traditional sources of energy. There was also an exchange of views on the regional situation. Dr. Rice welcomed the fact that the two countries had been in close touch on the Nepal situation and the two sides agreed that they needed to coordinate their approach to ensure an early return to democracy in Nepal.

The Prime Minister also underlined his strong commitment to the India-Pakistan dialogue process and also emphasized that Pakistan needed to deliver on its commitment to prevent cross-border terrorism. This was necessary in order to ensure public support for the peace process in a democracy like India.

Dr. Rice conveyed President Bush's personal admiration for the vibrancy and strength of Indian democracy particularly as it was a multi-ethnic and multi-religious society of 1 billion people. There is a sense of great affinity, she said, between the two countries as the US is also a pluralistic democracy and there is a strong sense of shared values, which provides a strong foundation for a multi-faceted bilateral relationship. In fact, she said that given the many points of complementarities that we have and areas in which we can cooperate, this could be an extraordinary relationship between our two countries in the next several decades.

On defence cooperation, she expressed United States' keen interest to emerge as a reliable partner and source for defence hardware and technology. She particularly welcomed the excellent cooperation between the two countries on organizing relief during the recent Tsunami disaster and said that the speed and the scale on which India deployed its naval and air fleet was deeply admirable.

Question: How long did the talks with the Prime Minister last?

Answer: I do not have the exact duration. I think the one-to-one lasted about 20-25 minutes.

Question: What did Dr. Rice have to say when Prime Minister said that Pakistan should stop cross-border terrorism?

Answer: I do not have a verbatim report of how the conversation went, but

the United States and India have a deeply shared concern on cooperation against terrorism on a global scale

Question: In the discussion on energy cooperation was the issue of nuclear energy touched upon?

Answer: When we are talking of India's growing energy needs then it is quite clear that nuclear energy is one of the sources that India looks for for meeting its energy needs. It is also what is called clean technology and that is very much a factor in our planning for our energy needs. As far as the morning conversation goes the need was felt to have an energy dialogue in which such issues and concerns, if there are any, can be sorted out. There is an understanding on the need to use nuclear energy for our development purposes, for our normal purposes. That understanding was obvious this morning and therefore there was also this shared interest from both sides. In fact, if you recall, Dr. Rice said in her statement at the press conference that there is a need to set up this energy dialogue forum.

Question: On the reservations on the gas pipeline between India and Iran...

Answer: I think a full answer to that has been given by EAM this morning. I am not trying to match that.

Official Spokesperson: I wanted to give an update on the Malaysian incident. Unlike what was mentioned today in the story (in Times of India), I had not said that we have no information. I said that we are checking with our High Commission. We have checked and our High Commission has indicated that the girl is indeed an Indian national. Her father is a Malaysian national, her mother is an Indian national.

An officer is being sent from the High Commission tomorrow to Penang who will register our concerns with the Malaysian Authorities and also meet the girl and her family to ascertain her welfare and see what else needs to be done. The question of consular access does not arise in this case, as she is not under detention. She is a victim.

Question: It was also said yesterday that they had asked the Malaysian police to get access to the accused...

Answer: We are talking to the police authorities and we are also taking up the matter through the Malaysian Foreign Office. But that is again a question of the wrong that has been done and what is being done about it. It is not a

question of consular access to an Indian national because the Indian national is not under detention.

Question: Any dates on President Bush's visit to India?

Answer: No I have no dates.

Question: One TV channel has reported that President Musharraf is coming to watch the match in New Delhi on April 17th, do you have any confirmation?

Answer: That is one of the possibilities under consideration but we are awaiting confirmation.

Question: So you do not have dates, why is it taking so long?

Answer: I said it very clearly. If you want to give it a negative spin it is only your interpretation. I said that that is one of the possibilities. Naturally, only if it is a mutually convenient date can the visit happen. We are awaiting confirmation on which of the possibilities is going to work. I was asked a specific question on 17th of April and I have confirmed that it is one of the possibilities.

Question: What is the situation on the missing Pakistanis?

Answer: Again the interpretation which has been put in the words of the Spokesman in one of the stories on that issue today is wrong. I never said yesterday that we do not have information. I said that there is no request for extension of visa that we have received. The correct position is that we have seen those reports. We are ascertaining the facts with the help of the authorities concerned.

Question: Musharraf said that he would like to meet various Indian leaders. Have you any details?

Answer: I think once we have a date of the visit then the other details will follow. [Later the Spokesman added: There is no fixed agenda but naturally when two leaders meet, they are free to discuss anything they like. We are viewing this visit in the light of the role played by Cricket in promoting friendly bilateral relations between the people of India and Pakistan.

Question: On Nepal is there any sense on what India and US can together do?

Answer: There was a reiteration of the fact that the democratic agenda needs to be followed in the region with particular reference to Nepal, that there has been close cooperation between India and the US in this regard. This was appreciated by Dr. Rice and it was also underlined that we need to continue this coordinated approach so as to ensure a return to democracy.

Question: She also said that our Ambassadors in Nepal are closely in touch. Our Ambassador is here today. Anything on that?

Answer: He is here for consultations. I do not know what his consultations have led to. It is a normal thing for an Ambassador to come back for consultations frequently.



482. Joint press conference by External Affairs Minister K. Natwar Singh and US Secretary of State Dr. Condoleezza Rice.

New Delhi, March 16, 2005.

Shri Natwar Singh: Good morning ladies and gentlemen. Thank you for turning up in such large numbers.

We are pleased to welcome Dr. Rice to India¹. This is her first visit, and first visit by a Cabinet member in the second term of the Bush

1. On 15 March the Official Spokesperson Navtej Sarna briefing the media on the programme of Condoleezza Rice said that this was the first visit of a Cabinet-level minister from the United States in the second Bush term. It is likely to be followed by the visits of the US Transportation Secretary and the US Treasury Secretary Mr. Norman Y. Mineta and John W. Snow respectively. Underlining the importance of the visit Mr. Sarna said "This is Dr. Rice's first visit to India and in fact to South Asia. India, as you know, is the first stop on the tour. She has been taking a very close interest in the bilateral relationship between India and the United States during the first term of President Bush and has been also focusing on cooperation in defence and economic ties, as well as in the NSSP process. There have been significant steps in the bilateral relationship leading up to this visit. These include cooperation in the Tsunami response between India and the US. That was a big boost to our military-to-military cooperation and working relationship with the US forces. This followed the visit of the Defence Secretary Mr. Donald Rumsfeld in December 2004. On the economic side there have been some elements which provide for the basis for expansion of ties i.e. the enhancement of foreign holding in the telecom, housing, infrastructure, banking and civil aviation sectors. The positive movement is also indicated by the progress in the open skies

Administration. We view her as a friend of India who led the fashioning of a new policy in the first term. I look forward to working with her and taking Indo-US relations to even higher level and more frequently ... and we will continue our discussions during lunch.

The issues (that were discussed) I will just briefly mention. The Next Steps in Strategic Partnership or NSSP Phase – II should be concluded fairly soon. High Technology Trade would continue to grow. We will cooperate more closely in the field of energy. Our defence cooperation will be expanded. Civil aviation is another major area of growth through an Open Skies Agreement. This will impact positively on our economic and trade links. Both governments will encourage their business communities to be more aggressive in exploiting opportunities and challenges.

Madam, we acknowledge your great political vision and I felt that we were on the same wavelength as we look at this relationship not only for what it offers today but at its enormous potential to shape our global future to our mutual advantage. Naturally, we discussed important regional and global questions. We approached these issues from our common commitment to democracy, pluralism and prosperity.

On Nepal, we agreed that recent events have been a setback in these goals. Democratic freedoms must be restored and reconciliation with

agreement in civil aviation. The economic dialogue which is headed on the Indian side by the Deputy Chairman of the Planning Commission will give further momentum to this process. At the political level, as you know, both governments have been in close touch and have been having regular consultations on matters of regional and global interest. Recently we have worked together with the United States on coordinating our positions on Nepal. There has been encouraging progress in the NSSP. Since October 2004, when NSSP Phase-I came into effect the lower end of the licenses that accounted for almost 30 per cent of the transactions have been completely delicensed. The processing of the higher end licensing has speeded up both quantitatively and qualitatively. Between October 2004 and January 2005, 185 licenses were approved and only 22 were denied. As you know the discussions of NSSP Phase-II are continuing."

There were some further questions answered by the Spokesperson. They were:

Question: Navtej, on this Container Security Initiative, we are doing a pilot project. What is happening on the PSI, are we going forward on that?

Answer: Well, it is possible that when we discuss cooperation in security, the PSI may be discussed tomorrow. If it is discussed, we will let you know what happened. On Container Security Initiative, yes, we are in the process of discussing and an Indian team is going to be visiting United States for this purpose this month.

Question: Will the proposed arms sale to Pakistan be raised by India (with Dr. Rice)?

Answer: I think when we discuss regional issues and security cooperation, all matters can be raised there. Whether this particular question will be raised or not, I would not like to say today but the United States is well aware of our concerns in this regard.

political parties must lead to return to multi-party democracy in Nepal.

I apprised the Secretary of State of recent developments in our Composite Dialogue with Pakistan which is progressing satisfactorily. We look forward to welcoming General Musharraf here soon and if I may be allowed to say something, I will also respectfully request him that he ensures that the Pakistan Cricket team does not beat our Cricket team. There should be no doubt about our commitment to achieving peace with Pakistan but it is critical that Pakistan implements fully its solemn commitment to cease all cross-border terrorism against India.

On Afghanistan, we assessed our ongoing cooperation and support to President Karzai's government. We will continue to work together closely.

We also exchanged views on West Asia, what you, Madam, call Middle East. I informed the Secretary of State that India would be prepared to contribute to economic reconstruction in Iraq. We will await any requests from the newly elected government and judge them on their merit.

Naturally, we spoke about the reform of the United Nations. It was agreed that as strategic partners we should have a sustained dialogue on this very important issue.

Dr. Rice met the Chairperson of the UPA Smt. Sonia Gandhi earlier this morning. Their meeting lasted half-an-hour. Apart from being extremely cordial and warm, almost all issues of mutual interest were discussed. Dr. Rice will be calling on Prime Minister later in the day. I am hosting a lunch in her honour where we will, as I said earlier, continue our discussions.

Even from this brief stay I am certain that she will get the sense of warmth of the welcome that awaits President Bush. I told Condoleezza Rice that she comes here as a friend and when a friend comes to India they do not have to knock at any door, they will find the door open.

Dr. Condoleezza Rice: I have indeed had a very warm welcome in India. I want to thank you very much Foreign Minister saying for this very warm welcome and for our productive discussions.

I did have very cordial and wonderful meeting this morning with Mrs. Sonia Gandhi, the Chairperson of the Congress Party. We have met before at one time in Washington and it was really very good to have a chance to renew my discussions and my dialogue with her.

The President wanted me to have a chance to come to India early in my tenure as Secretary of State and early in his second term because this is a relationship that has transformed in recent years from one that had great potential into one that is really now realizing that potential. It is based first and foremost on the fact that we share common values and there are no strong relationships than those that are based on common values.

This is a vibrant and wonderful democracy. It is remarkable that this large country with all its ethnic and religious and heritage differences could be such a vibrant and functioning democracy. In fact, the United States is, of course, not nearly so large but we also are a democracy that is multi-ethnic and multi-religious and pluralistic and that is an experience that binds us together and gives us a firm foundation for our partnership in regional and global affairs.

We and India have taken our relationship to a new level through the NSSP - Phase-I of which has been completed and Phase-II of which we look forward to having completed very shortly. I said to the Foreign Minister and will say later to the Prime Minister that there is much more that we can do.

Our defence cooperation is strong - military to military contacts and joint exercises - the United States looks forward to enhancing that defence cooperation over the next several years.

We also look forward to an energy dialogue because the demands for energy of growing economies like India and the United States are demands that will have to be met in order to keep prosperous and growing and expanding economies that can then serve the needs of their people. We look forward to a large scale energy dialogue that looks at ways to meet our energy needs and at the same time to be responsive to environmental concerns.

We, as well, had a chance to talk about American support for the Composite Dialogue with Pakistan. We very much admire what the Prime Minister and President Musharraf have been able to continue. Given the change in government here in India it is heartening that that Dialogue has continued and indeed accelerated and we want to be supportive in any way that we can.

As the Foreign Minister said, we had the chance to talk about Afghanistan, about Iraq and especially about the challenge to democracy in Nepal where we have had outstanding cooperation between our Ambassadors to try and help that country to get back on a democratic path. That simply must happen and we are in complete agreement that it needs to happen very, very soon.

I think it shows that India and the United States have regional responsibilities but also increasingly global responsibilities. We respect this great democracy. We respect what it has been able to achieve for its people. We respect the challenges that it has to achieve even more for its people and we respect the possibilities that the United States and India enjoy for global partnership. I am going to make a promise to the Foreign Minister right now and that is that I will even try to understand cricket. That would help.

Shri Natwar Singh: I will try and understand baseball.

Dr. Condoleezza Rice: Thank You.

Question (NDTV, Abhisar): This question is to Dr. Rice. What do you feel about the cooperation between India and Iran on the gas pipeline since you have just made a statement about expanding the dialogue on energy. Are there any reservations about cooperation between India and Iran on the gas pipeline?

To You, Mr. Natwar Singh: Would you take it as interference, if America were to object to it?

Dr. Rice: Thank you very much. I think our views concerning Iran are very well known by this time and we have communicated to the Indian government our concerns about gas pipeline cooperation between Iran and India. I think our Ambassador has made statements in that regard. So, those concerns are well known to the Indian government. We do need to look at the broader question of how India meets its energy needs over the next decades, and whether its rapidly growing economy, an economy that must continue to grow in order for the benefits to be felt by India's people... Since that is something that is a goal that we very much support, we believe that a broad energy dialogue should be launched with India because the needs are there. We have our own energy needs and indeed given the technological

sophistication of our economy, of India's economy, I would hope that we can also explore ways that new technologies can help us over the next decades to meet what are undoubtedly going to be burgeoning energy needs. So, yes, we do have our concerns. We have communicated those but we intend also to look at this as a broader problem.

Shri Natwar Singh: As you know the discussions are going on between the Petroleum Minister of Government of India Shri Mani Shankar Aiyar and his counterpart in Iran and in Pakistan. As Secretary of State said the energy requirements of India are growing exponentially in the years to come as we become more and more industrialized. We have traditionally good relations with Iran. We expect Iran will fulfill all its obligations with regard to the NPT. We have no problems of any kind with Iran. As Dr. Rice said (regarding) the requirement for energy and the new technology, India, Pakistan and Iran are in touch with each other.

Question (Associated Press): This question is for both of you. In your discussions today did you discuss the sale of F-16s to both India and Pakistan? Did you reach any agreement on that? Does this kind of potential arms pact represents a tacit acknowledgement by the United States that both powers possess nuclear weapons that can be used against the other?

Dr. Rice: It will not be surprising to you that in the context of our discussions about the security environment in the region here and discussions about defence cooperation that the question of arms sale including F-16s did come up. As I have said, we are going to continue to have broad discussions about the security needs, about the defence needs of India and I am quite certain when I go to Pakistan that I will have discussions about the defence concerns and the defence needs of Pakistan. But there has been no such agreement, as you called it, and as I have said to you that I do not expect that there are going to be any announcements out of this. But we, of course, have discussed this, as well as a number of other issues about the defence needs of India.

Shri Natwar Singh: As is well known India and the United States have ongoing dialogue on defence, on various aspects of it, on defence supplies, on defence equipment and every issue was brought up including F-16. As the Secretary has said no announcement is going to be made. We discussed every aspect of our defence relationship with the Secretary of State. If anything else happens between now and lunch I will let you know!

Question (Saurabh Shukla, *India Today*): Both of you have talked about the UN reforms. I am sure discussion must have happened on expansion of the UN Security Council. There is a sense here that there is some ambiguity on the US' own position on the expansion of the UN Security Council. First, will United States support the expansion at all, and second will you support India's candidature as a permanent member of the UN Security Council? A quick question to Mr. Natwar Singh. Sir, would you have liked the US to have made its position clear with regard to the expansion of the UN Security Council and India's candidature for the permanent membership?

Dr. Rice: We are at the beginning of discussions about UN reform including, of course, UN Security Council reform. Our view is that the reform of the United Nations has to be understood as a broad process - that there are many aspects of the UN that need reform including, as we have said, the Secretarial issues, General Assembly issues, Security Council issues and agency issues as well as management reforms. And so, it is not surprising that we continue to have these discussions with countries around the world. I believe Secretary General Annan has talked about the need to have intensive consultations. I myself have just appointed a Special Advisor Ambassador Shirin Tahir Kheli who will, full-time for me, be engaged in discussions around the world about UN reforms. So, we are just at the beginning of this and in that context we have agreed to stay in touch with India and with others about how those discussions are going.

Let me make a broader point separate from this, which is that the world is changing obviously. There are countries like India that have emerged in recent years as major factors in the international economy, in international politics, taking on more and more global responsibilities. I was really quite interested in the fact that when we had the Tsunami cooperation which was a kind of ad-hoc arrangement for a while to respond to the immediate needs of the Tsunami, India was able, I am told, to mobilize its ships and go to sea in about 48 hours. That is extraordinary and that shows that India's potential is very great to help resolve humanitarian and other needs of the world. So, we will continue to talk with people about Security Council reform, reform of the UN but clearly we also note that there have been great changes in the world and that international institutions are going to have to start to accommodate them in some way.

Shri Natwar Singh: I might add to the previous question on defence issue that we did express certain concerns about certain matters on the defence

issue, to how it might create some complications. But I think there are no serious differences of opinion. There are one or two items on which we do not agree. Our relations have reached a maturity where we can discuss these things freely and frankly and place our views firmly on record, and our views with regard to F-16s are well known. Now, with regard to Security Council, yes, we did discuss and the Secretary of State is fully familiar with India's stand that India is an aspiring candidate for an expanded and reformed Security Council. We are a democracy of one billion people, our UN record is impeccable, we have been involved in many many peacekeeping operations, we have led discussions on decolonization, we have led discussions on the end of Apartheid in South Africa. I myself was, for many years, Rapporteur of the UN Committee on Decolonization where I worked with your colleagues – Ambassador Clinton, Ambassador ... (inaudible) ... both of them alas no more and with the father of your Deputy here Bob Blake, who is with us still (the father).

Naturally, we think that the world of 2005 has nothing to do with the world of 1945 and therefore it is imperative that the United Nations if it is to be a relevant and effective instrument of maintaining peace and ensuring development and harmony, then it has to be drastically reformed. I also realize that the amendment to the UN Charter is not an easy exercise. The Charter has only been reviewed once in 1963 when the non-permanent members were increased by 4, so that the Security Council from 11 became 15.

There are many aspirants for the Security Council expansion and permanent membership – India, Japan, Germany and Brazil are working together and we are in touch with all our friends including US. We have got assurances of a very large number of countries but let me add quite categorically that the amendment of the UN Charter is a very, very complicated process. We are studying the Report of the High Level Panel appointed by the UN Secretary General. The Secretary General should be sending the Report, I think today or tomorrow, to member-states and then we will have our comments. Intensive discussions will take place and if I may, Madam in your presence, say that obviously United States will play a very, very important role in this particular exercise.

Question: Madam Secretary the Italian Prime Minister Silvio Berlusconi is indicating that he is willing to pull Italian forces out of Iraq if the security

situation in that country does not improve perhaps as early as September. What is the official US response to Mr. Berlusconi's announcement?

Dr. Rice: First is to note that the Italians have been steadfast in their support of the Iraqi people's desire to have their aspirations for freedom met. They were early supporters of the Iraqi people for the coalition. The Italians suffered casualties as a result of their commitment there including among the Carabinieri. I remember that when that happened they had more volunteers so that they could take the place of those people. So, the Italians have served, and served bravely, in support of democracy in Iraq. As we move forward we know that coalition partners are beginning to look at what the future of their commitment can be and we understand that Prime Minister Berlusconi has said that they will look at conditions.

They, of course, are also engaged in the training of Iraqi security personnel and for all of us the real issue is how quickly can we get Iraqi police, army, border guards trained so that Iraqis can do the security task necessary to sustain the Iraqi democratic process. Indeed, we were all heartened by the way that the Iraqi security forces stepped up to the play during the Iraqi elections, really being the core. Remember General Casey saying that during that period of time he could not think of one case in which the coalition forciers had to step in for the Iraqi security forces. So, they are making a lot of progress. The real answer to Iraqi security would be when Iraqis can do those security tasks.

So, I am quite certain given the experience of working with the Italian government, given the experience of working with the Italian Minister of Defence, that any decision that the Italians make about their forces are going to be fully coordinated and in a way that does not put at risk the mission and whatever the Italians then decide, I want to make clear that the United States and I think especially the Iraqis appreciate what Italy has done and what Italy will continue to do in the future in helping the Iraqis to sustain their democratic progress.



483. Statement by Official Spokesperson on the refusal of visa for a visit to the USA to the Chief Minister of Gujarat Narendra Modi.

New Delhi, March 18, 2005.

The Government of India expresses its deep concern and regret that the Embassy of the United States of America has denied a visa to Shri Narendra Modi, Hon'ble Chief Minister of Gujarat to visit the U.S. for an event organized by the Asian-American Hotel Owners' Association. The visa had been requested by the Ministry of External Affairs through a Note Verbale to the Embassy on 28th February 2005.

This action on the part of the U.S. Embassy is uncalled for and displays lack of courtesy and sensitivity towards a constitutionally elected Chief Minister of a State of India.

The Ministry of External Affairs has called the Head of Mission¹ of the Embassy to the Ministry to lodge a strong protest against the denial of visa to Shri Narendra Modi and to request an urgent reconsideration.



1. Robert Black, the charge d' affaires of the US embassy was summoned by the Foreign Secretary Shyam Saran in this connection. Black explained that the US decision flowed from the law of the land in the US but he promised to convey the reaction of the Government of India to Washington. The fact that Modi's request for a visa was endorsed by New Delhi and that there was no prosecution case against Modi for his role in the Gujarat riots surprised New Delhi on the refusal of the visa to a constitutional authority.

484. Statement by Official Spokesperson on the refusal of visa to the Chief Minister of Gujarat Narendra Modi.**New Delhi, March 21, 2005.**

The Government of India regrets that in spite of its demarche to the Embassy of the United States of America for an urgent reconsideration of their decision to deny a visa to Shri Narendra Modi, Hon'ble Chief Minister of Gujarat, the US has not revised its decision. The US Embassy today conveyed that their Government's decision in the matter stands. This disregards the fact of the constitutional position of the Chief Minister of Gujarat as a democratically elected leader and appears to be based on selective judgment.

Government believes that democratic tradition and practice must uphold the dignity of political office that is the result of elections and a mandate given by the people of a country or state. While it is the sovereign right of a country to grant or deny visas, Government do not find this decision by the United States in keeping with the objectives that India and United States share as democratic countries.¹



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1. The US government while denying the visa made it clear that the issue had nothing to do with the broader aspects of India – United States relations. The State Department Deputy spokesman Adam Ereli said in Washington on March 22: "The issue of this visa, frankly, I think, should be separated entirely from the broader issue of US – India relations. Why? Because it is specific case dealing with a specific visit. It has nothing to do with bilateral relations. It has nothing to do with our close partnership with India. It is technical matter related to a visa application... One should not make more of this decision than it is. It's a decision based on the interpretation of law with respect to a specific request for a visa. It is not a reflection of our views of the Government of Gujarat or the people of Gujarat or a reflection of our bilateral relations." Ereli also added that Washington was "deeply appreciative" of the role played by both the Bharatiya Janata Party and the Vajpayee government "in opening the way for positive transformation" of the bilateral relationship; and of the "great respect" the US had for "the many successful Gujaratis who live and work in the United States and the thousands who are issued visas to the United States each month". The State Department once again spelt out the background for the denial and the revocation of an existing visa to Mr. Modi emphasising once again the "findings of Indian Commission in investigating actions or lack of actions by state institutions and religious conflict" in Gujarat. The spokesman said that the Department did a review of the decision and reaffirmed the original decision. "... I think it was done probably at the working level." Mr. Ereli said.

485. Media briefing by the Official Spokesperson on the telephonic conversation between US President George W. Bush and Prime Minister Dr. Manmohan Singh regarding sale of F-16 aircraft.

New Delhi, March 26, 2005.

President Bush telephoned Prime Minister Dr. Manmohan Singh at 7.10 in the evening on March 25, 2005.

President Bush conveyed to PM the decision of the United States to supply F-16 aircraft to Pakistan. Prime Minister conveyed his disappointment over this decision.

US Secretary of State Condoleezza Rice spoke earlier to External Affairs Minister, Shri K. Natwar Singh, who is currently on a visit to Myanmar. EAM spoke to PM to apprise him of his conversation with Secretary Rice on this subject.

I also understand that a briefing has taken place in Washington¹. I

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1. The briefing in Washington by the State Department while announcing the decision to go ahead with the sale of F-16 aircraft to Pakistan maintained that the sale would not affect the "overall" balance of power in South Asia. The State Department said: "Recently, the September 11 Commission recommended and the United States make a long-term commitment to Pakistan, in this context, we have begun our five-year \$ 3 billion assistance programme...and have agreed to sell F-16 aircraft...The sale of F-16 will not change the overall balance of military power in the region and are vital to Pakistan's security as President Musharraf prosecutes the war on terror." On March 28 the Prime Minister Manmohan Singh speaking to journalists after the Padma awards ceremony at Rashtrapati Bhavan expressed India's concern on the US decision to sell F-16 aircraft to Pakistan since it would have an adverse impact on India – Pakistan composite dialogue. He said: "The U.S. has decided to give F-16s to Pakistan. As far as India is concerned, there is an offer. But the terms and conditions, we do not know. It is premature for me to say. We will discuss it with them." He further added: "This (sale of F-16) is a matter of concern to us and I expressed our disappointment during my conversation with the U.S President, George W. Bush, couple of days ago." He said the government would take up the matter with the U.S administration. On the same day the Defence Minister Pranab Mukherjee also criticized the U.S decision to supply F-16 planes to Pakistan saying: "the U.S decision to supply F-16 to Pakistan at this juncture will have an adverse impact on the composite dialogue process, which we are entering into with Pakistan and it may, jeopardize the confidence building measure." Meanwhile on March 30, the National Security Advisor M. K. Narayanan told journalist in Port Louis, where he was accompanying the Prime Minister on a visit to Mauritius that India may ask for a co-production deal should the issue of buying the U.S.-built F-16 or F-18 fighters come up, because India wished to ensure the transfer of technology and reliability of supplies. Co-production would involve the U. S. arranging for some of the components of fighter aircraft to be produced in India.

wanted to give you some more details of what has been conveyed to us. This is a package of measures by the United States on India-US cooperation. The US has conveyed that it intends to upgrade the Indo-US Strategic Partnership. A number of initiatives have been announced in this regard.

The United States Government has now conveyed that it has approved participation of US Defence companies in the bidding for the Multi Role Combat Aircraft (MRCA). A US team is expected to visit India shortly to hold discussions. It will be recalled that during her recent visit to Delhi, Secretary of State Condoleezza Rice has declared that US wishes to be a reliable defence partner with India.

On the supply of nuclear technology we have been informed that the US Government is considering offering civilian nuclear energy and nuclear safety cooperation to India. These subjects were discussed during the visit of the Secretary of State on March 16, 2005. The decision by the US Administration to move forward on nuclear energy cooperation is welcome and reflects an understanding of India's growing energy requirements. We expect further substantive discussion within the ambit of the Indo-US Energy Dialogue, which is proposed to be set up shortly.

The United States has proposed a Joint Working Group on Space Cooperation between our two countries. This is a positive development and opens up a new and promising area for high technology cooperation.

On Indo-US Strategic Dialogue, as you know, we already have a regular dialogue with the United States on global and regional issues. The US initiative to upgrade and broaden this dialogue giving it a much more global character reflects the further strengthening of the Indo-US Strategic Partnership.



486. Media briefing by Foreign Secretary Shyam Saran on the call by External Affairs Minister K. Natwar Singh on US President George W. Bush.

Washington (D.C.), April 14, 2005.

Good Morning to all of you. I will be just giving you a very short account of the meeting that the External Affairs Minister had this morning with President Bush. I will not go into details, because there will be a more detailed briefing of the press after we have the bilateral meeting between the External Affairs Minister and Condoleezza Rice which will take place around noon. So I will not take questions and answers, I will just give you the flavour of the meeting that took place this morning. The meeting was held in the Oval Office and present from the US side were the Secretary of State Condoleezza Rice, the National Security Adviser Stephen Hadley, the Chief of Staff Andrew Card and other officials.

On our side, of course, accompanying the External Affairs Minister were the Deputy Chairman of the Planning Commission Mr. Montek Singh Ahluwalia, the Indian Ambassador Mr. Ronen Sen and myself.

President Bush was exceedingly warm and friendly in his remarks. He said he was extremely excited about the state of India-US relations. He said he was going to use the next four years of his second term to further strengthen these relations to take them to a much higher level. He expressed admiration about the strengths that India has in terms of the talents of its people; its democracy, the fact that it is a flourishing democracy of one billion people, a very diverse country.

He spoke about India as a global power with which the United States wanted to work very closely together for the common good for world peace; for mutual economic benefit. And in this context, we touched upon some of the issues. And one very important issue, of course, was the issue of energy, and the challenges that we are going to face in the energy sector. He said India and the US need to work in this particular area which would include the area of civil nuclear cooperation.

President Bush also said he could not wait to visit India; that he was looking forward to his visit within the year and also he conveyed to the External Affairs Minister that he was very much looking forward to receiving

our Prime Minister in the near future and that a very warm welcome awaited our Prime Minister.

External Affairs Minister in his remarks drew attention to the fact that from the first day in office, even during the first term, President Bush was a leader who was extremely focused on developing relations with India; that he had made a very personal commitment to taking these relations forward. As a result, India-US relations are probably the best we have had for a very long term and that we are looking forward to a much closer relationship between these two countries in his second term.

The two leaders also spoke about the affinity that exists between the two countries, as democracies; our commitment to democratic values and how this provided an excellent foundation for taking our relations forward.

I think, I can characterize the meeting as an extremely warm and friendly meeting and it has set the stage for a very productive session that we would be having later this afternoon between External Affairs Minister and Secretary of State Condoleezza Rice.



487. Joint press conference by External Affairs Minister K. Natwar Singh and US Secretary of State Dr. Condoleezza Rice.

Washington (D.C.), April 14, 2005.

Secretary Rice : Good afternoon. I am very pleased to welcome to the United States and to the State Department Foreign Minister Natwar Singh. We met not too long ago when I was in India. We have been able to continue our strategic dialogue on a number of issues.

India and the United States share much in common. We share, of course, common values as democracies, as multiethnic democracies that are committed to not just tolerance but to fully appreciating the great value of the diversity of our societies. We share a goal for peace, stability and prosperity in Asia, as well as in the rest of the world. As I said when I was in India and have reiterated here, it is very important that the U.S.-India

relationship continues to grow as we recognize the growing importance of India as a global factor. This is a development that we very much welcome.

We had an opportunity to talk about how to push our relationship to a new level, to improve our cooperation in a number of areas, to accelerate our work in our next steps in Strategic Partnership Initiative, to launch an energy dialogue that will be led on our side by our Energy Secretary and on India's side by the head of its Planning Commission.

We had an opportunity to talk about Iraq and Afghanistan and the Middle East, befitting the fact that our relationship is a broad one, and we also recognized the importance of continuing our economic dialogue.

The United States and India have demonstrated great cooperation in a number of areas. We talked about the way that we demonstrated that cooperation in the tsunami relief effort. It is a relationship that is growing, getting more important. We look forward to the visit of the Prime Minister to the United States in July for an official visit and we look forward to our continued discussion and cooperation as we move forward.

Welcome, Natwar, and now your comments.

Minister Singh : Thank you, Condi.

The Secretary of State and I have had very wide-ranging and very fruitful talks this morning and this is a continuation of our talks in Delhi, at what time we had agreed to meet again, and so I am delighted to be here at this time.

And our discussions, as the Secretary said, have been very wide-ranging, looking at long-term relationship across the board. This morning I had the privilege to be received by President Bush at the White House and we deeply appreciate his personal commitment to developing Indo-U.S. relations and are confident that in the second term this relationship will reach newer heights¹.

1. Earlier in a BBC interview on April 6, EAM had said India – US relations “have never been better” despite the American decision to sell F-16 fighter jets to Pakistan. “Our relationship has reached a level of maturity where we can live with our differences without our fundamental friendly good relations being affected adversely. Commenting on the change in his stance towards the USA, EAM said: “That was old Natwar; this is new Natwar.” Addressing a separate press conference at the end of his Washington visit, External Affairs Minister brushed aside as “simplistic” reports that the United States was offering arms and

The President was strongly supportive of the initiative of the Secretary of State Condoleezza Rice to which she has made a reference in her remarks. We welcome the interest the President expressed in together working with India on the range of global issues.

We spoke about the global energy situation and the importance of our cooperation in this regard, including on civil nuclear energy. And my colleague, Dr. Montek Singh Ahluwalia, is staying back to have discussions on economic matters and matters related to the peaceful uses, civil uses of nuclear energy, and also other scientific matters.

You have, if I may say so, eloquently summarized what we discussed today and the discussions and the decisions we have arrived at. The strategic dialogue that we will co-chair will provide the political direction to our rapidly expanding bilateral ties (inaudible) the realization of the rich and diverse agenda that we have before us. The dialogue is key to our global partnership.

As I said earlier, the energy dialogue that the Deputy Chairman of the Planning Commission, Dr. Montek Singh Ahluwalia, and Secretary Bodman will lead together recognizes the importance of addressing growing energy demands while taking into account their environmental implications. The three main components are: civil nuclear energy, hydrocarbons and cleaner technologies.

I am particularly happy to compliment our American friends for the fresh approach they have brought to bear on a subject that is of such vital importance for us.

other defence technology to India to counter China. He said the U.S has given no indication that they want India "to play any game. And I don't think they will." "We are not in this game at all", EAM said. "We have very, very good relations with America. We greatly value them. We want to widen them, deepen them and broaden them. The same is the case with China. So this idea that there is going to be any kind of gang-up anywhere – neither has it been mentioned – nor will it work... is rather a simplistic view of things." He said he had briefed the US leadership about the discussions with the Chinese Prime Minister during his recent visit and about the signing of 12 agreements. Calling the Chinese leader's visit to India a "resounding success" Mr. Natwar Singh spoke about the expanding cooperation with Beijing on a number of fronts, including trade which is expected to touch 30 billion dollars by 2010. Terming the visit to the United States as constructive and positive, Mr. Singh said the interactions had taken the existing relationship a step or two further in all areas. Asked whether he was disappointed with the Bush Administration had remained noncommittal on India's claim to permanent membership of the UN Security Council, EAM said the American position was well known.

Our cooperation in space highlights the technology bond that is a special characteristic of our ties. As Secretary Rice indicated, we have established a joint working group and have agreed on its terms of reference. Our goal is to promote synergies in all aspects of space collaboration, including satellite fabrication and launch. The NSSP process, as the Secretary said, will be accelerated. It has been a useful and productive engagement but we are now looking at even wider horizons.

My colleague, the Defense Minister of India, is expected to visit Washington very soon and he will remark on the deeper defense relationship. This again reflects the enhanced level of our trust and understanding between us. Dr. Montek Singh Ahluwalia's presence also underlines the importance we attach to the economic dialogue that he chairs with Allan Hubbard. I fully share, Madame, your expectations of what this dialogue can and, I take it, will assume.

I am happy to say that our deliberations also focused on how we can effectively address global challenges. India's ability and willingness to shoulder global responsibilities has been demonstrated.

I was encouraged to hear Dr. Rice declare that the United States understands India's aspirations. This will be underlined by the dialogue that we expect to sustain on the reform of the United Nations, including the Security Council. We also agreed that India should have a more active association with the G-8.

And in conclusion, may I thank you very much for your hospitality and for your friendship and for your understanding of our problems and for your goodwill and friendship.

Secretary Rice : Thank you.

Question : Madame Secretary, is it getting to be time to take your concerns about Iran to the United Nations? And is it accurately being reported the Middle East has suddenly vaulted to the top of the list of U.S. concerns over North Korea, Iran and whatever?

Secretary Rice : Well, I don't think that one has to choose between policy issues, Barry. On the Iranian issue, we are engaged in an international effort to try and deal with the Iranian nuclear program, or the Iranian nuclear aspirations. For instance, the Russians have been telling us a good deal

about what they are doing with Bushehr. We are obviously trying to support the EU-3 in their negotiations with the Iranians and, of course, we also have the IAEA Board of Governors approach.

At some point in time, yes, if this does not work then, of course, the Security Council remains an option. And we have made clear with our European friends that that is, in fact, the case. We believe that the diplomatic path that we are on is the appropriate path and we are determined to have a united front with the international community to convince the Iranians that they have to live up to their international obligations not to seek nuclear weapons under the cover of civilian nuclear power development.

As to the Middle East, I think it was perfectly obvious from the President's address — State of the Union address — that we attach enormous historic importance to the changes in the Middle East that are now beginning to unfold, to securing and helping the Iraqi people to secure a free and democratic and prosperous Iraq, helping the Palestinians and the Israelis to find a way forward from the historic disengagement that is about to take place there, and then to hopefully accelerated progress on the roadmap, that reform in the greater Middle East is of great concern to us because the generational challenge that we face is to replace the ideologies of hatred that literally lead people to fly airplanes into buildings with a belief in the hope that can be provided by freedom and democracy.

Question : Dr. Rice, I have a question. Does the United States support India's bid for a permanent seat in the UN Security Council? And a related question: One of the senior administration officials said on March 25th that the goal of the U.S. policy is to make India a global power. There's a school of thought in India that says that it's a lot of words. How do you explain that and what is your reaction to that?

Secretary Rice : The first point that I would make is that India is becoming a global power not because the United States is making it one but because India is a democracy that is emerging to take on global responsibilities. It has the population, the reach, the increasing economic clout to do that. But the United States wants to be supportive of what we see as a positive trend in India's global role because India is a democracy and that matters to us in the global role that it is beginning to play.

We are demonstrating that we support that aspiration by the breadth

of the relationship that we have with India. I think U.S.-Indian relations are at a high point. They have certainly come a very long way over a reasonably short period of time. President Bush came to office devoted to an expanded and deepened U.S.-Indian relationship and we have tried to make good on that. But we have an energy dialogue, an economic dialogue, a defense cooperation relationship. We are doing things together around the world. This is clearly a relationship that has breadth and global dimensions. And so that is how this is being demonstrated.

Now, in terms of the UN Security Council, the United States has said that we believe UN Security Council reform needs to take place in the context of broader UN reform, that it is important, of course, to reform the Secretariat, the institutions of the UN, the organizations of the UN, it needs management reform and, of course, we should also look at Security Council reform. I said when I was in India that international organizations in general will have to take into account India's growing role in the world in order to be updated and to be effective.

We are in broad discussions with a number of partners about how to move forward on UN reform and Ambassador Shirin Tahir-Kheli, who is my assistant or my advisor for UN reform, will be going to a number of places, including to India, to continue those discussions.

Question : Secretary Rice, the German Foreign Minister said today that the European Union will not proceed with plans to lift its arms embargo against China unless it sees concrete steps from Beijing on Taiwan and human rights. What is your reaction to that?

Secretary Rice : Well, I can't help but think that it is a positive statement because, as you know, we have been very concerned about the lifting of an embargo that would send the wrong message on human rights, given that it was imposed in response to the Tiananmen Square situation, but also that would send the wrong message and possibly create a reality in which technologies are available to a military — increased military modernization in China that could, indeed, threaten U.S. security interest in Asia, not to mention the security interest of other allies in the region.

We have had broad discussions with the Europeans on this. We have been pleased at the openness of the Europeans in discussing this. But when it comes right down to it, as I said when I was in Asia, the Pacific

is a region that particularly the United States has borne the greatest responsibility for the defense of that region. Yes, the concerns over Taiwan are there and the anti-secession law did nothing to reduce tensions in the Taiwan Strait; in fact, it enhanced – it increased tensions in the Taiwan Strait.

So this is perhaps recognition of that, those facts, and it will be the European Union's decision but we are quite clear that we think the lifting of the embargo would be a mistake.

Question : You had no difficulty in Japan to say that Japan should be a member of the Security Council. Can you equally strongly say that India ought to be a member of Security Council?

Secondly, when you were in India you mentioned the problems we have — it so happens that oil and gas in countries that are either not democratic or because the United States has got problems. What do you think is going to happen to the vast investment India has made in Iran? Does it create problems for you and what can be done about it?

Secretary Rice : Well, on the second issue, one reason that we have an energy dialogue is that we recognize that there are a number of countries — by the way, the United States among them — that have growing needs for energy and for reliable sources and supplies of energy to meet the demands of growing economies. And we have to look at the broad range of possibilities for meeting those energy demands.

We have made clear our concerns about the Iranian development. We have made clear that at a time when Iran has clearly not yet made a strategic choice to demonstrate to the world that it is prepared to live up to its international obligations, that we would hope that this would be taken into account. But these are the kinds of discussions that we continue to have.

And we — on the Security Council reform, we have to do this in the broader context of UN reform. Yes, we have supported Japan for some very particular reasons having, for instance, to do with the fact that Japan really is the second largest contributor to the United Nations in terms of support for the United Nations. It is really not very far behind the United States in providing that support and that needs to be recognized.

But we are going to have now — we have said even to the Japanese that that, too, has to be on the context of broader UN reform. So we are going to continue our discussions with our friends. We will send Ambassador Tahir-Kheli to India to have these discussions and to other places. It is my hope that we can do this in a way that builds consensus in the international community about UN reforms ought to proceed because what we do not need is acrimony as we try to move forward to reform this extremely important organization so that it can be relevant for the 21st century.

Question : What is your response our request to Dr. Rice's statement on the Security Council?

Secretary Rice : Well, we have made our views on India's candidature and credentials for being a permanent member of the Security Council. We are working together with Brazil, Germany and Japan and with also very many other countries. We have sent some special envoys to various parts of the world to promote our cause. Our credentials are impeccable. We are a founding member of the United Nations by the virtue of having been a member of the League of Nations, even though we were a British colony.

Our peacekeeping record in the UN, our role in decolonization, our role in the dismantling of Apartheid in South Africa, our efforts at disarmament, nuclear and conventional. Take any aspect of UN life, India has played a leading role, and by any criteria that you apply India qualifies for a seat in the expanded Council as permanent member. And it is quite obvious that the structure created in 1945 doesn't represent what's happening in 2005. It's as simple as that.

Secretary Rice : And let me just add that —

Question: (Off mike.)

Secretary Rice : One second. Let me just add that I would agree completely that we are going to need to take a look at the structures because they are from 1945, and not just the Security Council but all of the structures of the United Nations need revitalizing and reform. But India is a growing influence in international politics and in international organizations more broadly. That's going to have to be accommodated.

Yes. Thank you. Thank you very much.

Question : One last question. Why aren't you going to the ball game tonight? I thought you were a fan.

Secretary Rice : I am. I plan fully to watch it on television, along with the rest of you. But I have very few evenings at home. I decided to take one of them.

(Laughter.)

Question : (Off mike) on Kashmir. But, and we said that the peace process is (inaudible) irreversible but he's still looking for out-of-box solutions. What would you say to that?

Minister Singh : Well, I am rushing back to receive President Musharraf in Delhi and we'll continue with the very friendly discussions we had with him in Islamabad some days ago. And, Madame, you may miss this afternoon's game; I'm not going to miss a cricket match on the 17th.

(Laughter.)

Minister Singh : Okay.

Secretary Rice : Thank you.



488. Press conference by External Affairs Minister K. Natwar Singh.

Washington (D.C), April 15, 2005.

Moderator: Well, ladies and gentlemen, welcome to this press conference by the honorable external affairs minister. All of you have the opening statement that he has already made at the joint press availability with Secretary Condoleezza Rice. I think we can go straight away to question and answers. So if you could please, when you ask questions, please identify yourself and the organization that you represent. Let's go straight to question and answers please.

Question: (Inaudible) – of India. Can you sum up the result of the visit? What was the main purpose of your visit? And what have you achieved as a result of your visit?

External Affairs Minister K. Natwar Singh: Well I think it's been a very constructive and positive interaction at the highest levels with the United States government. When Dr. Condoleezza Rice was in India some weeks ago, she had invited me to come to Washington. And since parliament is not meeting during this period, it was possible for me to be away from Delhi. Parliament will be reassembling on the 18th. I think this has taken our existing very friendly ties, our deep relationship, a step or two further in all areas and in some new areas. I also greatly appreciated President Bush giving me the time that he did, and he expressed the hope that the Prime Minister would be here sometime in the middle of the year. And he, himself, looks forward to visiting India.

Question: (Off mike) – It comes in between very important one by the Chinese leader, and you're going back to receive Mr. Musharraf. Was there any mention made of the two back-to-back visits during your interactions?

External Affairs Minister K. Natwar Singh: No, we – I informed them of the discussions we had with the distinguished Prime Minister of China about the 12 agreements signed, including the one on the border question. I think we have already distributed the text of various agreements that have been signed. Both India and China attached the highest importance to this visit, I am reminded of the fact that in 1960 April when Chou En-lai came to Delhi, I was the Liaison officer to him. And 45 years later here I was in the

capacity. The earlier visit had not been a success. This has been a resounding success, and our Chinese friends want to cooperate with us in almost every area. It is significant that his visit began not in Delhi, but it began in Bangalore because they're very keen to study how we've been doing so well in the software. And we were very glad to know that they were going to share their hardware technology with us. Now our trade is – in 1990, the trade was \$1 billion. Last year the trade between China and India was \$13.6 billion. It will be \$15 (billion) by 2008, and \$30 (billion) by 2010. At the same time, our discussions between the two special representatives will continue on the boundary question. The political parameters have been agreed upon and signed.

Question: (Off mike.)

External Affairs Minister K. Natwar Singh: Only the timing is linked. Otherwise they have nothing to do with each other. I was in Islamabad some weeks ago, and we had extremely useful discussions – result-oriented discussions with the Pakistan leadership including the president. And I have no hesitation in saying that the opening of the bus route from Srinagar to Muzaffarabad wouldn't have taken place without the president's complete approval and support. And we flagged off the bus on the 7th of April. The Prime Minister, Mrs. Sonia Gandhi, Chief Minister Mufti M. Syed myself, were there it was a big event. And the chief minister of Jammu Kashmir said it is a historic step. And there are other things on the diplomatic plate. We are hoping to open the railway line between Sindh and Rajasthan, which has been closed since 1965, also to have a bus service from – Amritsar-Nankana Sahib, a bus service from Amritsar to Lahore. There is a train now from Delhi to Lahore, but the symbolism of a train from Amritsar to Lahore is quite different. President Musharraf had initially expressed a desire to come for a day to watch the final one-day match between Pakistan and India. He has now decided to come on the 16th and leave on the 18th. So he'd be spending two nights and two days. There is no fixed agenda, and we also do not want to convert a basically sporting event into a full-fledged state visit because it is not. And we do not hesitate to discuss anything. Whatever we want to discuss, we discuss.

Question: – (inaudible) – will the U.S. become a factor in moderating our relationship with Iran, and what are our initiatives in the field of energy being taken now? It will have gestation period running into decades perhaps

if they are able to overcome the technical as well as legal problems in the field of civilian nuclear cooperation. In the context of the energy security, how do we go ahead since there is a slight difference in the perception of India and the US.

External Affairs Minister K. Natwar Singh: Well, as you might recall, when the Secretary of State, Dr. Condoleezza Rice, was in Delhi, the question was asked about this matter not in the precise language that you have asked today. But it meant the same thing. We know their views on Iran, and they know our view. We have good relations with Iran. We have no difficulty, and discussions are continuing about the pipeline from Iran, Pakistan, India and from India, Afghanistan, Turkmenistan, Uzbekistan, eventually going up to China. The United States appreciates our energy demands, which are going to increase exponentially in the years to come. And the same is the case with China. Please.

Question: You obviously met with President Bush this morning and Dr. Rice as well. What were some of the issues that were discussed and specifically the F16 issue. Was that brought up? And has India made any decision how many and when India plans to buy the F16s?

External Affairs Minister K. Natwar Singh: Well, the F16s did not come up. Our views have been made known to the president by the Prime Minister some weeks ago, and we have expressed our disappointment. I had also – when Dr. Condoleezza Rice rang me up I was in Myanmar, and I also expressed similar sentiments. They know our views about it, and with the President we had a very, very wide range of subjects discussed in a very friendly manner. And it was very good of him to give the time that he did give to us.

Question: What about the offer of F-16's or F-18's to India?

External Affairs Minister K. Natwar Singh: The defense minister will be here by the end of June, and I think he's the right person to be asked this question.

Question: Were you a little disappointed by Secretary Rice's response to the question of India's membership to the U.N. Security Council? They're not quite willing to come out and say anything right now so what do you –

External Affairs Minister K. Natwar Singh: No, I'm not disappointed. I

expected precisely what she said. This is what they've been saying. They have not made their views known in specific terms about the report prepared by the high-level panel, which is headed by the secretary general. And the secretary general has sent his comments on the report to member states, which we have studied. And the American position is well known. They will, I presume, nearer the date make their views known. But what Condoleezza Rice said today was in keeping with what they've been saying not only to us, to just about everybody. Our views, as I placed them today before you are known to them.

Question: In a speech to the American Society of Newspaper Editors, Mr. Bush mentioned that the U.S. relationship with Pakistan came up in your discussion. What was your reaction to Mr. Bush's description of the U.S. relationship with Pakistan and especially did Kashmir come up and what role the U.S. could have in Kashmir discussions?

External Affairs Minister K. Natwar Singh: The Jammu Kashmir issue is a bilateral matter. We've always discouraged third-party intervention, but if our friends in Pakistan are in consultation with President Bush, they're welcome to do so. But we have made it quite clear that this is a bilateral issue to be settled bilaterally. We appreciate the interest that people take and want this to be resolved, but there is no facilitator or intermediary.

Question: (Off mike.)

External Affairs Minister K. Natwar Singh: No, I think they are not – (inaudible) – matters. Nations don't get disappointed. You look at it in a realistic way. You see your national – (inaudible) – interests, and they see theirs. And the objective should be that we don't tear down their doors and they don't tear down our doors. All I can say is that relations between the United States and India have never been better. It doesn't mean they're aren't any differences, but as I said, we have an occasion that our relationship has reached a stage where we can express our views on matters on which we don't agree without our fundamental friendship being adversely affected.

Question: In your assessment, Mr. Singh, what is the U.S. – what is the reason for U.S. equivocation on India's membership of the UNSC?

External Affairs Minister K. Natwar Singh: I think they are looking at it in a very comprehensive manner because if you read the report, the reform of

the United Nations is just one of the items in that voluminous report. And the most important one is the reform of the Security Council. Now, if you will go back to the history of the foundation of the United Nations in 1945, one of the conditions for the United States joining the U.N. – as you know, they didn't join the league of Nations - was that the five powers will have vetoes. And the then-Secretary of State for the United States, Mr. Cordell Hull, who was Roosevelt's Secretary of state for 12 years from 1932 to early 1945, noted that if there was to be no veto then the United States would not join the United Nations. So the veto remains. (Unintelligible) – It has been made clear by the Prime Minister in Parliament and by me that we would not accept any discrimination between the old P-5 and new P-5 or P-6. Otherwise you're adding another category of members – P-5 with veto, P-5 without veto, and the others. The objective is to make the United Nations Security Council relevant to the 21st century, which at the moment it is not, because the structure, written in 1945, has not been dismantled and doesn't reflect present-day reality.

Question: (Unintelligible.) We hear Dr. Condoleezza Rice's interpretation of India being a global power. I was wondering what your interpretation would be.

External Affairs Minister K. Natwar Singh: Well, I think there has been an enormous change in the terminology. It was earlier said that the Americans would help India to become a global power. I think the message got through that this could have been better phrased, and she phrased it very well today.

Question: Since you have noted this phrase that the U.S. will help India, this brings me to a very basic question since they are launching on a very revolutionary path as far as India-U.S. relations are concerned. My very basic question will be about the inheritance of our tradition in foreign policy and their tradition in foreign policy. When they were a bit immature democracy they also believed in nonalignment, neutrality, and we have still that tradition in our system. So how do you intend to bridge this gap?

External Affairs Minister K. Natwar Singh: The president already said five days ago that he is a great idealist; looks at the world in that manner and hopes that the world will be a better place.

Nonalignment is not a dogma or a doctrine; nonalignment is a state

of mind. Nonalignment gives you the room to pursue your national interests and protect them in an independent manner, making decisions on its merits and what it'll do for India. Of course, the agenda of the first decade of the 21st century is quite different than the agenda that the nonaligned countries had in the '50s, '60s, '70s, '80s and '90s. The world has run out of colonies, mercifully, and the Non-Aligned Movement played a very important role; India particularly did. Apartheid is history. The agenda today is terrorism, drugs, HIV/AIDS, environment, ecology, financial reform, disease, the fate of small countries.

We must make – we should see the difference between the Non-Aligned movement and nonalignment. I believe that is why – I tell you and I've said publicly, the Non-Aligned movement needs a diplomatic blood transfusion. Nonalignment doesn't. Nonalignment is, as I said, how you look at the world and how you access it. And the Nonaligned Movement, and some nonaligned countries have to put their house in order. There is no doubt about it, because unless you're able to meet the requirements of the 21st century, which are science and technology and economics and trade and commerce, we'll be left behind. And fortunately we woke up to this much earlier and therefore we're among the nonaligned countries that in the front rank.

Moderator: I think we'll take one last question from Seema. The minister has a long flight to catch, so one last question.

Question: Mr. Minister, the March 25th announcement by the Bush administration we are told was somewhat aimed at containing the rise of China. By bolstering India they want to create a counterweight to China. How do you see this whole triangle emerging, and does India want to play this game in the manner that the Americans are envisioning?

External Affairs Minister K. NATWAR SINGH: First of all, the Americans have given no indication that they want us to play any game, and I don't think they will, knowing where we stand and what our views are, what our – how we think about these matters. The inheritance of the freedom movement, that, you know, every Indian foreign minister's principal duty is to India's vital interests in this matter; that's the paramount interest. And this thing is talked off and on about this country trying to group with another country. We are not in this game. We have very, very good relations with

America, greatly value them. We want to widen them, deepen them, broaden them – same with China.

So this idea that there is going to be any kind of gang-up anywhere, neither has been mentioned nor will it. I don't think anybody would make such a suggestion. I heard about it but I think it's rather a simplistic view of things.

Moderator: Thank you very much, Sir, for sparing the time. Thank you, ladies and gentlemen

External Affairs Minister K. Natwar Singh: Okay, thank you.



489. Press Statement issued by the Indian Embassy in Washington on India-US Global Issues Forum.

Washington (DC), May 17, 2005.

The Governments of India and the United States held a meeting of the India-US Global Issues Forum on May 17, 2005 at the Department of State in Washington, DC. The US delegation was led by Under Secretary for Global Affairs, Paula J. Dobriansky, and the Indian delegation by Foreign Secretary, Shyam Saran. The Forum had been initiated in New Delhi in October 2002. The two delegations held productive exchange of views and discussed new and expanded areas for India-US cooperation on global affairs. These included issues related to protection of the environment, sustainable development, protection of the vulnerable, combating transnational organized crime, promotion of democratic values and human rights. The Forum deliberations underlined the need for continued cooperation in protecting the global environment, including the use of cleaner and more efficient energy sources. Recognizing the global ramifications of trafficking in illegal narcotics and persons, and their nexus with international terrorism and illegal arms trade, the two Governments reaffirmed their determination to enhance collaborative efforts in these areas. The dialogue explored further efforts by both countries to promote democratic values and human rights globally through the United Nations, the Community of Democracies and other international forums. These discussions were held

in the context of efforts by India and the United States to harness the transformed bilateral relationship to addressing together global challenges and key international issues.



490. Joint statement issued on the India – US Energy Dialogue between US Secretary of Energy and Deputy Chairman of the Planning Commission Montek Singh Ahluwalia.

Washington (D.C.), May 31, 2005.

The US Secretary for Energy, Dr. Samuel W. Bodman and the Deputy Chairman of the Planning Commission of India, Dr. Montek Singh Ahluwalia met in Washington, DC on May 31, 2005 to launch a new bilateral India - U.S. Energy Dialogue. The establishment of the Dialogue reflects the transformed strategic relationship between the U.S. and India as called for by President George W. Bush and Prime Minister Manmohan Singh. Secretary Bodman and Dr. Ahluwalia agreed that it was important to show progress in the Energy Dialogue before the visit to the U.S of Prime Minister Singh.

The Energy Dialogue will build upon the broad range of existing energy cooperation between the two countries as well as develop new avenues of collaboration. Its work will be organized across five Working Groups, which will be supervised by a Steering Committee. Secretary Bodman named David Garman, Assistant Secretary for Energy Efficiency and Renewable Energy, as the U. S. co-chair of the Steering Committee, and Dr. Ahluwalia named Foreign Secretary Shyam Saran as the Indian co-chair. Together, they will promote increased trade and investment in the energy sector and work with the public as well as private sectors to identify areas of cooperation and collaboration. The first meetings of the working groups are expected to take place prior to the visit of Prime Minister Singh.

The Steering Committee will guide and manage the overall direction of the Dialogue, including activities of the Working Groups. It will establish

broad goals and timelines and ensure coordination among the Working Groups on crosscutting issues such as energy security, future energy scenarios and trade and investment. The Working Groups will address such topics as oil and natural gas, electric power, coal and clean coal technology, energy efficiency, renewable energy, new technologies such as hydrogen, and civil nuclear power.

The salient goals of the various working groups will include:

- Strengthening mutual energy security and promoting stable energy markets to ensure adequate supplies of energy that will support desired levels of economic growth; exchanging information and developing lines of communication for policy coordination in times of market instability; promoting increased trade and investment in the oil and gas sector.
- Advancing understanding of efficient generation, transmission, distribution and use of electricity and promoting the exchange of information on regulatory policies; cooperating on programs and technologies with special emphasis on the “last mile” distribution and utilization of electricity in urban and rural networks; developing cooperation on clean coal preparation and modern coal conversion systems in power generation.
- Enhancing the understanding of coal-related energy issues and promoting the exchange of information on policies, programs, and technologies with special emphasis on coal utilization for power generation and clean fuels production; promoting the efficient and environmentally responsible use of coal.
- Promoting the development and deployment of clean energy technologies and energy conservation practices that will improve the efficiency of energy use leading to enhanced energy security and stable energy markets that will support desired levels of economic growth with appropriate concern for the environment.
- Dialogue and action on issues associated with civilian uses of nuclear energy and its control; exchanges between the Department of Energy and the Nuclear Regulatory Commission (NRC) and India’s Department of Atomic Energy and Atomic Energy Regulatory Board on each country’s nuclear energy-related initiatives, practices, research interests, regulatory oversight

and view of the role of nuclear energy in meeting global energy requirements; discussions on fusion science and related fundamental research topics¹.



491. Joint press statement issued at the end of the meeting on India - US Economic Dialogue.

Washington (D.C), June 1, 2005.

Allan Hubbard, Assistant to the President for Economic Policy and Director of the National Economic Council (NEC) and Montek Singh Ahluwalia, Deputy Chairman, Planning Commission of India met Wednesday, June 1, 2005, to launch a reinvigorated U.S.-India Economic Dialogue. Ambassador of India Ronen Sen and Acting Under Secretary of State for Economic, Business and Agricultural Affairs, Anthony Wayne, who serves as the U.S. Executive Secretary of the Economic Dialogue, also participated in the meeting. NEC Director Hubbard and Deputy Chairman Ahluwalia, who chair the Dialogue, agreed that they should focus on making progress on key issues that will promote bilateral trade and investment. They also agreed to continue to provide close coordination on the work done by the four tracks of the Economic Dialogue (Trade, Commerce, Finance, and Environment), and welcomed the inauguration of the Energy Dialogue chaired by Deputy Chairman Ahluwalia and Energy Secretary Samuel Bodman. They also agreed to explore adding an expanded Information and communications technology component to the dialogue and to seek ways to involve senior members of the US and Indian business communities to provide private sector input to the government-to-government discussions.



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1. It may be recalled that Secretary of State Condoleezza Rice when asked by the Wall Street Journal in on April 13 whether Washington was prepared to sell nuclear reactor technology to India and work out a safeguard deal, she had said: "No, no, we're not there, that is not the case.... We have agreed with the Indians that we can talk about a variety of energy sources but obviously there are NPT implications that are quite serious about civilian nuclear power in India.... We do need to recognize and to help countries deal with the energy demand that they are facing. And if you look at China or India ...there is a demand for stable energy sources. It's one reason...that we have energy dialogue that are popping up all over the place because we are going to take a look at what we can do because it is going to continue to happen that oil-rich trouble-some states will have leverage if you can't help people find alternative means to meet their energy demands."

492. Media briefing by Official Spokesperson on the discussions between US Under Secretary of State Nicholas Burns and Foreign Secretary Shyam Saran.

New Delhi, June 24, 2005.

Official Spokesperson: Good evening. I have readout on the discussions between Mr. Nicholas Burns and the Foreign Secretary Mr. Shyam Saran and their delegations today.

The two delegations had extensive discussions this afternoon. Several issues were discussed. First, the entire bilateral relationship in light of the forthcoming visit of Prime Minister Dr. Manmohan Singh to Washington was discussed and in this context several bilateral initiatives, which have been taken by the two countries in recent months were gone into. These covered the economic relationship, areas like education, science and technology and environment with a view to see how much more progress could be made in these areas before the Prime Minister goes to Washington.

The two sides also focused on the energy dialogue and economic dialogue. Some initial steps have been taken in both these dialogues and both sides are examining very carefully what more can be done on this in the coming weeks and months. The NSSP (Next Steps in Strategic Partnership) was also discussed. Both sides felt that progress had been made in this regard. The US side also appreciated the WMD legislation which India has recently passed and which you are all familiar with.

The UN reforms formed a major part of the discussions including the reform of the UN Security Council. Both sides put forward their perspectives on the UN reform. We conveyed to the US side the progress made on the G-4 draft framework resolution and the intention of the G-4 to go forward with the resolution as per the decision made in Brussels recently. Mr. Burns conveyed to the Foreign Secretary that while India meets the criteria laid down by the United States, whom the United States chooses would be a political question on which a decision would be taken by the President of the United States¹.



1. Addressing a press conference separately on June 24, Burns denied that Washington was trying to split the G-4 grouping by suggesting that the Security Council be expanded by "two

493. Defence Cooperation Framework Agreement between India and the United States of America.

Arlington (Virginia), June 28, 2005.

1. The United States and India have entered a new era. We are transforming our relationship to reflect our common principles and shared national interests. As the world's two largest democracies, the United States and India agree on the vital importance of political and economic freedom, democratic institutions, the rule of law, security, and opportunity around the world. The leaders of our two countries are building a U.S.-India strategic partnership in pursuit of these principles and interests.

2. Ten years ago, in January 1995, the Agreed Minute on Defense Relations Between the United States and India was signed. Since then, changes in the international security environment have challenged our countries in ways unforeseen ten years ago. The U.S.-India defense relationship has advanced in a short time to unprecedented levels of cooperation unimaginable in 1995. Today, we agree on a new Framework that builds on past successes, seizes new opportunities, and charts a course for the U.S.-India defense relationship for the next ten years. This defense relationship will support, and will be an element of, the broader U.S.-India strategic partnership.

3. The U.S.-India defense relationship derives from a common belief in freedom, democracy, and the rule of law, and seeks to advance shared security interests. These interests include:

- maintaining security and stability;
- defeating terrorism and violent religious extremism;
- preventing the spread of weapons of mass destruction and associated materials, data, and technologies; and
- protecting the free flow of commerce via land, air and sea lanes.

or so" countries in the permanent category. Asked by journalists that open support extended by Washington for Japan did not put New Delhi in the category of a "second class strategic partner", Burns insisted that India was an important country for Washington. Burns insisted that the American proposal on limited expansion in both the permanent and non-permanent categories was an effort to bridge the divide between the G-4 and the opposing camp at the UN in New York.

4. In pursuit of this shared vision of an expanded and deeper U.S.-India strategic relationship, our defense establishments shall:
 - A. conduct joint and combined exercises and exchanges;
 - B. collaborate in multinational operations when it is in their common interest;
 - C. strengthen the capabilities of our militaries to promote security and defeat terrorism;
 - D. expand interaction with other nations in ways that promote regional and global peace and stability;
 - E. enhance capabilities to combat the proliferation of weapons of mass destruction;
 - F. in the context of our strategic relationship, expand two-way defense trade between our countries. The United States and India will work to conclude defense transactions, not solely as ends in and of themselves, but as a means to strengthen our countries' security, reinforce our strategic partnership, achieve greater interaction between our armed forces, and build greater understanding between our defense establishments;
 - G. in the context of defense trade and a framework of technology security safeguards, increase opportunities for technology transfer, collaboration, co-production, and research and development;
 - H. expand collaboration relating to missile defense;
 - I. strengthen the abilities of our militaries to respond quickly to disaster situations, including in combined operations;
 - J. assist in building worldwide capacity to conduct successful peacekeeping operations, with a focus on enabling other countries to field trained, capable forces for these operations;
 - K. conduct exchanges on defense strategy and defense transformation;
 - L. increase exchanges of intelligence; and
 - M. continue strategic-level discussions by senior leadership from the

U.S. Department of Defense and India's Ministry of Defence, in which the two sides exchange perspectives on international security issues of common interest, with the aim of increasing mutual understanding, promoting shared objectives, and developing common approaches.

5. The Defense Policy Group shall continue to serve as the primary mechanism to guide the U.S.-India strategic defense relationship. The Defense Policy Group will make appropriate adjustments to the structure and frequency of its meetings and of its subgroups, when agreed to by the Defense Policy Group co-chairs, to ensure that it remains an effective mechanism to advance U.S.-India defense cooperation.

6. In recognition of the growing breadth and depth of the U.S.-India strategic defense relationship, we hereby establish the Defense Procurement and Production Group and institute a Joint Working Group for mid-year review of work overseen by the Defense Policy Group.

- The Defense Procurement and Production Group will oversee defense trade, as well as prospects for co-production and technology collaboration, broadening the scope of its predecessor subgroup the Security Cooperation Group.
- The Defense Joint Working Group will be subordinate to the Defense Policy Group and will meet at least once per year to perform a midyear review of work overseen by the Defense Policy Group and its subgroups (the Defense Procurement and Production Group, the Joint Technical Group, the Military Cooperation Group, and the Senior Technology Security Group), and to prepare issues for the annual meeting of the Defense Policy Group.

7. The Defense Policy Group and its subgroups will rely upon this Framework for guidance on the principles and objectives of the U.S.-India strategic relationship, and will strive to achieve those objectives¹.

1. The Framework of Defence Cooperation was signed during the visit of the Defence Minister Pranab Mukherjee to the United States. Talking to the media persons in Washington on June 29, Mr. Mukherjee brushed aside comments that India – US Defence cooperation was at the expense of Russia or of any other country. He reiterated that all restrictions on high tech transfers to India should go. India's track record in safeguards was very high. "Both Washington and New Delhi would have to understand in greater detail each other's procedures – defence procurement procedure in India and the licensing system in the U. S," he said.

Asked whether he was convinced that the US would be a reliable partner in transfer of high technology, Mr. Mukherjee said one would have to be "practical and realistic" as every country had its own laws, including the role and powers of its legislatures. "In the U.S Constitution, Congress has certain powers – Indian Parliament has certain powers. Executive has to accommodate within the constitutional parameters fixed by the Constitution itself – here no body could give any guarantees that I will do certain things if it is not permissible within the constitutional framework of the constitutional system. But what we are trying to do is that dependability increases," Mr. Mukherjee said and added expanding relations with the U.S did not mean a union of views on regional and international affairs. Friends on occasion might have divergent views, as for instance, the Bush Administration maintaining that Pakistan was an effective ally in the war on terror and India taking the position that cross- border terrorism was inspired by Pakistan. Ahead of his meeting with the Defence Minister Mukherjee, US Secretary of Defence Rumsfeld told reporters: "The military-to-military relationship between our two countries is excellent. It has been developed over a period of four-and-a-half years in ways that today are multifaceted. We have advanced continuously in the relationship in terms of meetings and exercises and various other aspects of it. And I feel very good about it and very positive about it". Before leaving New Delhi for the U. S Defence Minister had told reporters that his visit was "exploratory" in nature. "I am not going with a shopping list. This is a visit by an Indian Defence Minister to the U.S after a long time," he said. In Washington speaking to U.S – India Business Council, Mr. Mukherjee said that given the geo-political environment and its proven track record, India "should justifiably be allowed to access all the technologies and defence equipment that it needs. There should at least be no moral inhibition on this account." Stressing that there were "greater opportunities" for business in India's defence sector, the Defence Minister called for this business in defence to be viewed in a broader perspective. "Security and defence are quintessentially sovereign functions. They are inextricably linked with politics and foreign policy," the Minister said. He noted that he did not look at India's relationship with the U.S as one between "buyer-seller" rather the relationship had to be strategic and New Delhi was looking for a "long-term" commitment. Pointing to India's vast industrial infrastructure, particularly in the defence sector, Mukherjee said India could be an excellent base for the U.S defence industry in a number of areas such as repair, overhaul, maintenance and servicing and, as a centre for regional distribution and services.

On July 8 interacting with journalists in New Delhi, the Defence Minister describing the agreement as a step to bridge the critical gap in technology said: "We are interested in bridging the critical gap in technology we have developed. In respect of the equipment and platforms, we had suggested to go for co-production with transfer of technology." He however added it was not necessary that "everything will be done" under the agreement and every individual project had to be negotiated. Rejecting the charge that the present government was following the agenda of the previous NDA government, Mr. Mukherjee said, "we are following an independent foreign policy and the framework agreement to widen Indo – U. S. friendship in the important sector of defence is also part of this policy." He added the policy to widen relations with the U.S had been formulated by the Congress in 1995. "Through this framework agreement, we have expanded and widened this relationship." Earlier on July 5, allaying the fears of the Left parties supporting the government in Parliament, Mukherjee defended the defence framework and said: "we have neither signed the framework under duress, nor have we applied pressure on the other side to sign it." He said India was pursuing an independent foreign policy as outlined in the Common Minimum Programme of the ruling United Progressive Alliance. Asserting that what was signed in the U.S was only a defence framework, he refused to call it an agreement. He said it was neither a treaty nor a pact. Going a step further he capped the speculation that New Delhi was exploring the possibility to buy a missile shield system from the U.S. He said India was interested in building its own missile programme and looked "outside" only in case of certain gaps in technology. He

Signed in Arlington, Virginia, USA, on June 28, 2005, in two copies in English, each being equally authentic.

Secretary of Defense
For And On Behalf Of
The Government Of
The United States Of America

Minister of Defence
For And On Behalf Of
The Government Of
The Republic Of India



clarified that the question of missile defence shield arose because the U.S had made several presentations to Indian experts to sell India the Patriot –3 systems. He cited the example of the development of Kaveri engine for the light combat aircraft, which was hindered due to U.S sanctions.

On the heels of refusal to buy the missile defence system, the next day the Defence Minister Mukherjee turned down a U.S. suggestion for posting Indian defence officers at two of its global military commands. "There is no question of posting officers at (U.S) military Commands. We have a defence attaché in Washington", he said. It may be recalled that the United States had suggested the posting of Indian Liaison Officers at its two global military commands — Central Command and Pacific Command.

However on July 11 the Defence Minister told journalists in Kolkata that "there has been no defence agreement or pact with the United States of America." He clarified that the recent discussions with Washington "were within the framework of talks on the defence relationship between the two nations." The Left parties had a different perception on the issue and "I have discussed it with Prakash Karat (General Secretary of the CPM) and A. B. Bardhan (General Secretary of the CPI)." "They have their own views (on the subject) and we have our own perception," he said.

On July 15 on a visit to Bangalore, the Defence Minister told journalists that the India – US Defence Agreement would not jeopardize India's foreign policy. "The Agreement will only widen the relationship between India and the USA," he added. The agreement he said was only an extension of the previous agreement signed in 1995, which lapsed this year. It was very transparent and all the related documents were available on the website.

On July 13 the Foreign Secretary Shyam Saran told the media in New Delhi that the Defence framework agreement signed with the USA last month "is not a military alliance." Suggesting that there was some "misunderstanding" about the defence framework, he said it set out the "parameters" within which the two countries could potentially cooperate if it was in their interest. "I do not think anybody can take exception to that," he said. It could not have adverse impact on India's defence ties with Russia and other countries. There should not be any apprehension about India's relations with the U.S.

494. Meeting of India-US Joint Working Group on Space.**Bangalore, July 1, 2005.**

The India-US Joint Working Group on Civil Space Cooperation held its first meeting at Antariksh Bhavan, the Headquarters of ISRO at Bangalore during June 29-30, 2005. This Joint Working Group was constituted recently as a follow up to the India-United States Conference on Space Science, Applications and Commerce held in Bangalore during June 21-25, 2004.

The Joint Working Group (JWG) deliberated in the last two days to explore the potential and possibility of cooperation in earth observation, satellite communication, satellite navigation and its application, space science, natural hazards research and disaster management support, and education and training in space. These topics were identified based upon the vision document on strengthening India-US cooperation issued at the end of the June 2004 Bangalore Conference.

Dr. P S Goel, Member, Space Commission and Director, ISRO Satellite Centre and Mr. Anthony F. Rock, Principal Deputy Assistant Secretary of State, Washington, co-chaired the Joint Working Group meeting, which was inaugurated by Mr. G Madhavan Nair, Chairman, ISRO. In all, 25 US delegates representing Department of State, National Aeronautics and Space Administration (NASA), Department of Transportation, Department of Commerce, US Geological Survey, and National Oceanic and Atmospheric Administration, universities and industry attended the Joint Working Group meeting. Senior officials of India's Department of Space, Ministry of External Affairs, ANTRIX Corporation and other Government of India Departments/ Agencies concerned with applications of space technology took part in the meeting.

The two delegations agreed that India's Chandrayaan-1 lunar mission offers an outstanding opportunity to begin cooperation in space exploration. Cooperation on this mission will further both countries' goals in space. NASA believes that its participation in this programme will be an important contribution to the Vision for U.S. Space Exploration announced by the President of the United States in January 2004.

The JWG noted that significant progress has been made in the U.S. GPS, the U.S. Wide Area Augmentation System (WAAS) and the Indian

GAGAN space-based Positioning, Navigation and Timing Systems (PNTS). Both sides have a shared interest in promoting interoperability among existing and future civil space based PNTS to create a Global Navigation Satellite System (GNSS). This area is ready for expanded bilateral cooperation.

The JWG expressed the intent to collaborate on a variety of earth observation projects. It was agreed to investigate the comparability and complementarity of data from U.S. Landsat and Indian IRS satellites and establishing an earth reception station in India for the U.S. National Polar-Orbiting Operational Environmental Satellite System (NPOESS).

The Joint Working Group meeting has given further impetus towards strengthening and expanding the cooperation between India and the United States in the area of space exploration as envisaged in the June 2004 Conference.



495. Joint statement issued at the end of the meeting of the India - U.S. Joint Working Group on Civil Space Cooperation.

Bangalore, July 14, 2005.

Fact Sheet

To realize the commitment by the Prime Minister of India and the President of the United States to expand cooperation in civilian space programs, and to build on the pioneering work of the India-U.S. Conference on Space Science, Applications and Commerce of June 2004, Minister for External Affairs K. Natwar Singh and Secretary of State Condoleezza Rice agreed in March 2005 to establish a Joint Working Group on Civil Space Cooperation. The Joint Working Group held its inaugural meeting in Bangalore, India, on June 29-30, 2005. Dr. P.S. Goel, Director, ISRO Satellite Centre led the Indian delegation, and Principal Deputy Assistant Secretary Anthony F. Rock of the Department of State led the U.S. delegation.

The Joint Working Group held a productive exchange of views and

discussed new and expanded areas for civil space cooperation. The two delegations addressed a broad range of issues and reached the following conclusions:

- The Joint Working Group provides a useful mechanism to explore possibilities for enhanced cooperation, promote understanding of government policies and procedures, and facilitate collaboration by addressing issues promptly.
- Progress in the Next Steps in Strategic Partnership dialogue opens up significant opportunities for cooperation in joint satellite activities and launch.
- India's Chandrayaan-1 lunar mission offers an outstanding opportunity to begin cooperation in space exploration. Cooperation on this mission will further both countries' goals in space and NASA believes that its participation in this programme will be an important contribution to the Vision for U.S. Space Exploration announced by the President of the United States in January 2004.
- Significant progress has been made in the U.S. GPS, the U.S. WAAS and the Indian GAGAN. Both sides have a shared interest in promoting interoperability among existing and future civil space based positioning, navigation, and timing systems to create a Global Navigation Satellite System (GNSS). This area is ready for expanded bilateral cooperation.
- We express the intent to collaborate on a variety of earth observation projects. We agreed in principle to establish an earth reception station in India for the U.S. National Polar-orbiting Operational Environmental Satellite System (NPOESS), and to investigate comparability and complementarity of data from Landsat and IRS satellites.
- Closer cooperation in international initiatives such as the Group on Earth Observation as well as efforts to develop a multiple hazards early warning and response system will serve national objectives of both sides. We also see strong complementarities in our expertise in satellite communications technology and applications, including tele-medicine and tele-education, and in education and training

related to space. We will continue to explore opportunities in these areas.

The two delegations have identified the next steps that need to be taken by each side and have agreed that the next meeting will take place in Washington in the spring of 2006 or prior to that time as mutually agreed.



496. Media briefing by Foreign Secretary Shyam Saran on Prime Minister Dr. Manmohan Singh's visit to the United States of America.

New Delhi, July 14, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good evening everybody. It is a great pleasure welcoming Foreign Secretary accompanied by Joint Secretary (Americas) Dr. Jaishankar for this briefing on Prime Minister's visit to the United States. We will have a list of questions after that.

Foreign Secretary (Shri Shyam Saran) : Good afternoon. As you are aware, the Prime Minister would be visiting the United States of America from the 18th to the 20th of July. This will be a state visit with full honours. Prime Minister will be staying at the Blair House and given a ceremonial welcome at the White House. President Bush will be hosting a formal dinner for him and Secretary Rice will host a lunch in his honour. The Vice President of the United States, the Defence Secretary, the Treasury Secretary, the Heads of the Senate Caucus, will also be calling on the Prime Minister. Prime Minister has also been invited to address the Joint Session of the Congress which is, of course, a very signal honour. The Senate Majority Leader, Senator Frisk will be hosting a meeting for the Prime Minister to meet other members of the Senate. Prime Minister will also meet members of the House International Relations Committee, and also have a lunch with the India Caucus.

As you know, this visit is taking place against the background of some significant progress that has been made in the bilateral relations between India and the US. Over the past several months we have established a number of new mechanisms of cooperation. We have

undertaken new initiatives; developed and taken forward some of the ongoing initiatives; and have expanded our dialogue really across the board, of course, encompassing both bilateral as well as regional and international issues. So, in a sense, we have really a very broad agenda in our developing relations with the United States of America. What this visit would really be doing is reaffirming at the highest level the transformation which is taking place in India-US relations.

As you know, a number of notable developments have taken place recently. You are aware of the fact that we have established the Economic Dialogue between the two countries which is headed by the Deputy-Chairman of the Planning Commission on our side and by the Economic Advisor to the White House Alan Hubbard on the US side. Very important, we have also set up the India-US Energy Panel which is looking at a whole range of energy-related issues, issues which are very important to energy security both of the United States as well as of India. One of the aspects that we would be looking at within this energy dialogue is also the question of civilian nuclear energy cooperation.

We have also concluded an open-skies agreement between the two countries. This is likely to really lead to a major expansion in air services between the two countries. The investment climate in India has improved attracting greater attention from US investors. This follows, for example, the passing of the Patent's Act as also the liberalization in several sectors of the economy including banking and insurance, and also the abrogation of Press Note-18.

In recognition of the fact that the economic relationship between the two countries is likely to be one of the most dynamic aspects of our relations in the coming years and it is a relationship which would be very much private sector driven, we have agreed to set up a CEO's Forum. This CEO's Forum would have as its members several of India's top business leaders. There are also a similar number of business leaders from the US side who have been also selected by the White House itself. The idea is that these business leaders meeting at a time when India-US relations in all spheres but particularly on the business side are looking up, we will really be able to energise the business relationship. The first meeting of this CEO's Forum will be taking place during Prime Minister's visit to Washington itself.

I would like to focus our attention on certain important aspects of

the relationship because, I think it is necessary to understand what is the kind of relationship which is developing between the two countries. I think it is important to understand here that what we are really looking at is a genuine partnership between India and the US. In each of the initiatives that we are looking at, India is also bringing something to the table. This is important to understand. If there is a greater focus today on India in the United States, it is not because India is weak but it is because India is strong. That is why people are looking today at India because today we are being recognized as a country which has an array of capabilities and has the potential to emerge as a very very important power in the future. And that is why there is a desire for engagement, there is a desire for partnership. Not only in the United States of America - but if you look at our relationship with China with which we have recently established a strategic partnership, if you look at our relationship with Europe with which we also have a strategic partnership and we are currently looking at a Joint Action Plan that we are going to be announcing during the next Summit, if you look at our relationship with Russia - across the board there is a new level of engagement, there is a new level of activity virtually in all our relationships with major countries and major regions of the world. Therefore, we go into this new relationship with the United States of America in the same spirit of confidence and in the sense that this is going to be a partnership which brings benefits to both India as well as to the United States of America.

We attach a great deal of importance to this visit because the path of development India has chosen, the United States of America undoubtedly has a great deal to offer whether it is in terms of high technology, whether it is in terms of being a source of major investment capital, also in terms of the service sector of India which is developing, the knowledge sector, and if we are looking at a world tomorrow which is going to be more knowledge based, then we are very well placed to take advantage of this and to emerge in the front ranks. And there, a closer relationship with the United States of America is undoubtedly going to be an asset for India.

So, there will be a number of initiatives that we have been working on. These initiatives will come together, will converge together during the visit. We expect that there will be a substantial outcome.

Thank you very much.

Question : ... Indo-US relations will have in any impact on Sino-Indian relations?

Foreign Secretary : I just mentioned that we do not look at the development of our relations with the United States of America as somehow detracting from our relations with other countries. We believe that we are able to upgrade our relations with all our major partners and this is not something which should impact adversely on any relationship. If you are looking at India-US relations and juxtapose it with, say, US-China relations, I think you need to keep this in perspective, I think the current level of trade between India and the US is about maybe 25 billion dollars. If you look at the trade volume between China and the US, I think it is almost close to 150 billion US dollars. So, you look at the range that we are talking about here. If you are looking at, say, investment relationship between India and the US and China and the US, again there is a difference of almost perhaps a factor of ten. Even when we are talking about relationship in high technology, despite the fact that there are restrictions on US exports of high technology items to China, I think the current level of high tech exports from the US to China is something like a half a billion dollars, more than 500 million dollars, while for India it is less than a 100 million dollars. So, I think we need to keep these relationships in perspective. We have a long way to go before we even reach the level of relationship which exists currently between China and the US. So, China does not have any sense that it's developing its relationship with the United States of America across the board will somehow or the other detract from its relationship with other countries. Why should India?

Question : What about the sanctions which are still there and the pipeline question? Will our present cooperation impact in any way on the Russia-Indian cooperation which also involves joint partnership and joint marketing?

Foreign Secretary : As far as US restrictions against India are concerned, we have conveyed to the United States of America that if the United States of America looks at India as a partner, then obviously it cannot also treat India as a target for its restrictive regimes. Therefore, if there has to be a fundamental change in the relationship between India and the US, then obviously this relationship must also undergo a change. I think the United States of America is very aware of this and some of the restrictive regimes have been relaxed. We hope that it will come towards a logical conclusion.

As far as the pipeline issue is concerned, I presume you are referring to the Iran-Pakistan-India gas pipeline, I think again this is something on which our viewpoint has very publicly been made known. Our External Affairs Minister himself had stated that we have a very special relationship with Iran. These relationships are civilizational in nature. They are very important to India. Iran is a very major source of energy for India, has been so in the past, will probably remain so in the future. Iran has also given importance for India because it is currently our access route to Central Asia through Afghanistan because we do not have access to Pakistan. So there are various reasons why the relationship with Iran is important. Energy supplies for India are important. Therefore, whatever decision we take concerning this pipeline will be based on our interest.

You mentioned the defence question. I think there is a certain misunderstanding about the framework agreement signed between India and the US. This is precisely what it is, it is a framework agreement. It is not as if it is an agreement for establishing a military alliance between India and the US. What it sets out is parameters within which India and the United States of America can potentially cooperate with one another if it is in their interest to do so. I do not think that anybody can take any exception to that. So, I do not see how this can really impact adversely on the very substantial defence relationship which we have with Russia and also the defence relationship we have with several other countries. I do not think there needs to be any apprehension in this regard.

Question : Mr. Foreign Secretary, you might have seen the comments coming out of New York of Shirin Tahir Khalili on G4 Resolution and from whatever I have read, the US has apparently asked for opposition to the G4 Resolution. So, are you disappointed that the US has taken such a position and will this in any way affect Prime Minister Manmohan Singh's visit tomorrow?

Foreign Secretary : No, I do not think that we are disappointed or that this would in any sense impact adversely on the visit because the US position has been well known for some time. The United States of America has taken a position against the procedure that has been adopted. I have had occasion to explain before that in terms of the basic principles underlying the G4 Draft Resolution, these are very different from what the US has been saying. After all, what does the G4 Draft Resolution ask for? It asks

for an expansion of the Security Council both in the permanent category as well as in the non-permanent category. The US position acknowledges that. We say that there should be greater representation of developing countries in the Security Council. This is what the United States of America is saying as well. So, there may be some differences between ourselves and matters of detail as to numbers or the procedure, but I think in terms of the principles that are incorporated in the G4 Draft Resolution, I think there is not much of a difference. If the United States of America has decided to oppose the Draft Resolution, there is not much that we can do about it. But, I think whether or not we go ahead with this Resolution will again be based on the assessment that we together with our partnerships, the G4 partners, make along with our consultations which are currently taking place with our African brothers and sisters, let us see whether we can take this forward or not.

Question : The Communist Party of India, the Left parties have a serious reservation about what India and how India ... particularly about this visit they have issued a press release also. How serious do you think it is? If it comes out that this visit is a historical visit or a path-breaking visit, they will have a serious objection. As you know, this Government depends on the Left parties for a majority in the Parliament.

Foreign Secretary : I cannot go into the political nuances involved here. All I can say is that India is a non-aligned country, India has been a non-aligned country and will continue to be a non-aligned country. I think it is nobody's case that India should not strive to have the best relations possible with all the countries in the world. The United States of America is an important country in the world. The United States of America is an important trade partner for India. It is an important source of technology for India. So, in terms of India's interest and in terms of promoting India's interests I do not think that any one can really object to an effort being made for upgrading our relationship with the United States of America just as we are upgrading our relationship with China, we are upgrading our relationship with Russia, we are upgrading our relationship with European Union. In fact, the fact that India is really the object of engagement from a number of different powers in the world is something that we should celebrate. We should try to utilize this opportunity of really maximizing the opportunities that are available to us for achieving the objective of making India a developed country and bringing the benefits of development to our people. So, I do not think that in terms of what we are trying to achieve with the United States of America,

there is really any cause for concern or there should be any cause for doubt in the minds of the people.

Question : ... Prime Minister... (Inaudible)... could you verify a statement Mr. Pranab Mukherjee has made that ...

Foreign Secretary : The last part of your question, I think I have already answered by saying that the framework for defence cooperation with the US precisely just that, it is a framework for defence cooperation. As far as the centre piece of the visit is concerned, I think right in the beginning I mentioned the fact that we have a very broad agenda for this visit. We have a very broad agenda of our relationship with the United States of America. So, I do not think that it would be appropriate to hang this visit on just one peg or one or two pegs. I think it is necessary to look at the totality of the relationship. As I mentioned to you, there are number of initiatives which will converge together at the time of the visit. We are looking at, for example, an initiative on cooperation on HIV/AIDS. We are looking at, on the economic side I mentioned to you the CEO's Forum. We are looking at a new initiative on agricultural research and extension. So, there are a number of initiatives that are being looked at and all these are going to be on the agenda of the visit. So, it is a broad agenda. It is not something which is limited to merely the consideration of UN Security Council membership or any other single issue.

Question : I think democracy and this dialogue on democracy is high on the agenda of the Prime Minister's visit. What ...(Inaudible)... specific initiatives ...

Foreign Secretary : As you know, a very important affinity between the two countries is really our attachment to democratic values. We believe that it is possible for India and the United States of America to really work together for strengthening the institutions of democracy. In countries which are in transition, countries which need such kind of assistance or support, it is possible for us to work together in that respect. This is being put in the context of an initiative which was taken by the United States of America last year which India has supported - but it is being operationalised now - this is the UN Democracy Fund. This Fund has now been set up under the United Nations. we will be contributing to it along with several other countries. The idea is to utilize this Fund for capacity building. What do we mean by capacity building? For example, India as you know assisted several countries for

Constitution-making. We have sent out our Constitutional experts for helping countries write their Constitutions. We have a very very elaborate Election Commission which handles elections on a very very large scale. This is a resource which a number of countries are interested in. We have a very strong institution in the Human Rights Commission. This is another capacity which people are interested in. So, there are a number of what I would call the nuts and bolts of democracy which we can really assist countries with, particularly countries in transition. So, the Democracy Fund which has been set up under the United Nations is precisely for giving this kind of assistance, this kind of support particularly to countries which are in transition or post-conflict countries. This is where also, therefore, India and the US can work together.

Question : Could Iraq be one such country which you could assist in capacity building?

Foreign Secretary : Let me recall that with Iraq, we have already stated in the past that we would be prepared to extend support, for example, for Constitution-making. We have said that we would be ready to extend support to Iraq by bringing some of their personnel here for training through our Election Commission. These elements are already there in terms of what this Democracy Fund could achieve.

Question : Would that be in conjunction with the United States?

Foreign Secretary : It is not just limited to the United States but it could be, of course, with the United States as well because the United States is also a contributor to this Fund.

Question : Would it happen under the UN umbrella?

Foreign Secretary : It is under the UN umbrella.

Question : ... (Inaudible)... Civilian nuclear-energy cooperation with the US...

Foreign Secretary : You should look at this particular issue as a process. If you compare the situation today with a situation one year ago I think you will find that there is a major change which has already taken place. What is that change? That change is, in the context of a global energy situation that is becoming increasingly more challenging, a global energy situation

which is likely to become a constraint on our development, we are today looking at the possibility of cooperation with major partners on civilian nuclear energy cooperation. We already have an energy panel with the European Union where also civilian nuclear cooperation is a subject for discussion. We now have a similar India-US energy panel in which also civilian nuclear cooperation is a subject for discussion. This is something which is a very major change in the international environment. So, actually if you look at the past and if you look at what we currently have been able to achieve, it is a very major transformation. Now, what will be our effort? Our effort will be to take this further. So, something which is at the level of a dialogue, we would like it to be taken to the level of action. However, this is not an event. You must understand this as a process which will, in the coming weeks, in the coming months, we will try to nudge it in the direction of actual cooperation. Naturally, there will be changes required in the way the world looks at India. But already, I would submit, there is an important change in the way the world is looking at India.

Question : ...Inaudible... deliverable in civilian nuclear-energy...

Foreign Secretary : Well, concrete deliverable is in the sense that something which is already conceded that is, that India and the United States of America can cooperate together in civilian nuclear energy, is something which we look at for an affirmation at the highest political level. I think this would be very important in terms of what we want to do after this.

Question : Legitimacy of American approach to India is questioned on two counts. One you have already dealt with is the existing sanctions which should go.

... Second is the selective approach which the US has always had in tackling terrorism globally. This visit is coming in the backdrop of two important terrorist incidents – one in Ayodhya and another in London. At what level and with what emphasis are you going to raise this question because it is increasingly becoming a major issue of dispute in the domestic politics in India?

Foreign Secretary : I would hope that this is not a matter of dispute in the domestic politics of India because I think there is a recognition across the board in this country that terrorism is a very major challenge and that we need to stand together and fight this menace. Beyond this, it has always

been India's view as a long-term victim of terrorism that there can be no segmentation in the fight against terrorism. That is, if you want to fight terrorism at one place, you must be ready to fight terrorism everywhere. So, success in the global struggle against terrorism demands that we do not adopt a segmented approach.

I think we are going with a rather strong hand to Washington precisely for the reasons that you mentioned that just when the G8 were having their Summit in Gleneagles, that was the time when terrorist attacks took place in London, came just a few days after a major terrorist incident in Ayodhya. I think the Prime Minister was able to put across in a very effective manner precisely the point that there can be no segmentation in this struggle against terrorism. I think terrorism will be very high on the agenda. I think the point that we will be making is that unless we stand together, unless we have the same kind of cooperation amongst countries who are victims of terrorism, as there appears to be the case amongst the terrorists themselves, how do we expect to win this battle? So, this is something which will be an important subject for discussion. I think this Government is very focused on dealing with the issue of terrorism.

Question : Is the US-India relationship also improving because of the Indo-Pak peace process?

Foreign Secretary : I think the peace process between India and Pakistan has its own logic. I do not think that India is engaging in a peace process with Pakistan because the United States of America wants it or because any other country wants it. There are very strong reasons why it is good for India and Pakistan to be engaged in a peace process. But let it also be clearly understood, as we have said again and again, that this peace process can only be taken forward if there is public opinion support behind this. And public opinion support behind this is linked to precisely what happens to cross-border terrorism. Our ability to carry our own people with us in this peace process will be undermined if there continues to be the kind of terrorist incidents we have seen take place in Ayodhya. So, I think if the international community has a role to play in this, it has a role to play in this by precisely addressing the issue of terrorism.

Question : Mr. Secretary, when your US counterpart Nicholas Burns came to Delhi last month, there were reportedly discussions on the Indian candidature for a permanent seat in the UN Security Council. Will this subject

come up for discussion during the visit of the Prime Minister? Do you expect the United States to open its cards during the talks with the Prime Minister?

Foreign Secretary : Number one, India and the US are engaged in a dialogue over the entire range of United Nations reform. It is not just focused on the single issue of Security Council reform. So there are a number of other very important issues where we are not only in a dialogue with the United States of America but we are also working together with the United States of America.

On the issue of Security Council membership, I think you are aware of what Mr. Burns said. I think he set out a number of criteria which he said would be important in terms of deciding who should be a new aspirant for UN Security Council membership. By the way these happen to be precisely the criteria which ourselves have put forward way back in 1994 as to why we think we should be a member of the Security Council. Now, whether the United States of America will take the step during the visit to declare its support for India or whether it will hold back, I am afraid this is not a question that I can answer. This is a political decision which has to be taken by the US leadership.

Question : You said just now that if attacks like the one in Ayodhya continue, the peace process will suffer. Are you indirectly saying that Pakistan is behind it? What are you saying?

Foreign Secretary : I am not saying anything about this or that specific incident. But I think I would draw your attention to the fact that time and again this Government has said that there is an infrastructure of terrorism across the border which has not been dismantled, that there are training camps across the border which have not been dismantled, that attempts at infiltration continue from across the line of control and the border, and that this will of course impact the peace process.

Question : In the wake of this visit, what is the position of India on PSI?

Foreign Secretary : We have said that unless India is in the core group of countries and is familiar with what kind of procedures are being drawn up for this kind of initiative, it would be difficult for us to say yes or no. That is because for us it is very important to know that whatever this initiative is coming up with is in accord with the international law, is in accord with

maritime law. So, this is something which is very important to us. What is the context within which we are talking about such a Proliferation Security Initiative? So once we have clarity in terms of the various provisions of this initiative, and when we are in a position to also contribute to the drawing up of those measures; it is still an open question.



497. Interview of Prime Minister Dr. Manmohan Singh with the *New York Times*.

New Delhi, July 15, 2005.

(Published: July 17, 2005)

Prime Minister Manmohan Singh said Friday that persuading the United States to share more of its nuclear technology would be a priority in his meeting next week with President Bush, and said he hoped the two countries would move from being "estranged" to "engaged" on issues of mutual interest.

"It's much too presumptuous on my part to say that I can predict the outcome, but I am looking forward, with hope, that out of this visit we will have a stronger, more durable, more productive relationship with the United States," he said in an interview. "People have described in the past our two countries' relations as two estranged democracies," Dr. Singh said. "I would like to work towards a new era where our two democracies are engaged."

After India's independence from Britain in 1947, the politics of the cold war era infused India-United States relations with mutual distrust. Change came slowly, with the opening up of India's economy in 1991 -- Dr. Singh, an Oxford-educated economist and the finance minister at the time, was its chief architect -- and relations fell to a new low in 1998, when India conducted nuclear tests.

India, which is not a party to the Nuclear Nonproliferation Treaty, has been clamoring for fuel and technology. United States law bars export of technology that could aid a nuclear program to any country that has not signed the treaty.

Dr. Singh said he was encouraged by previous meetings with Mr. Bush on nuclear technology. "The president himself has mentioned to me a country like India needs to be helped to reach its full potential in the area of nuclear energy," he said.

Relations between the countries warmed considerably after Sept. 11, 2001, with joint warfare exercises and Washington's offer of fighter planes for the Indian Air Force. A defense pact signed in June promised joint weapons production and multinational peacekeeping operations.

The United States is India's largest trading partner, and Washington has welcomed India's new patent law restricting production of low-cost Indian-made generic drugs and an "open skies" agreement intended to draw American airline companies to a booming Indian market.

In a telling snapshot of Indian perceptions, a survey commissioned by the Pew Global Attitudes Project in June found that Indians were singular in the world for having a positive view of United States policy.

Indian officials have been eager in recent weeks to emphasize what they refer to as a "convergence of interests" between New Delhi and Washington: a common stance against terrorism, a shared interest in the opportunities of a booming Indian economy, the need to stabilize global oil prices and, increasingly, what one senior official called "the affinities we have as democracies."

In the wide-ranging half-hour interview on Friday in his official residence, the prime minister hit the same notes. Offering an implicit contrast to China, he described India as a unique social experiment based on "an open society and an open economy," and dismissed the idea that India could be used as a bulwark against its ever-mightier neighbor.

"I think a strong India is in the interests of Asia and I think in the interests of the world, but that doesn't mean we are in competition with China," Dr. Singh said. "I don't think our relationship with the United States is at the cost of our relationships with China, with Russia or, for that matter, the E.U."

" Dr. Singh, 72, a soft-spoken farmer's son, pointed out -- as he has to in a country where members of his own government harbor reservations

about an alliance with the United States -- that India would not sacrifice its policy of independence.

"We are an independent power, we are not a client state, we are not a supplicant," Dr. Singh said. "As two equal societies, we should explore together where there is convergence of interests and work together."

(Indeed, the discussions about Dr. Singh's visit to Washington have started a furious debate here. As relations between the world's oldest democracy and its largest grow warmer, Indian politicians, intellectuals and policy makers ask: what does it mean to be a friend of America?)

("The challenge of India is to have a close alliance with the U.S. without becoming a poodle," said Jairam Ramesh, a member of Parliament with the ruling Congress Party. "It's a very delicate thing. There is simply no alternative to building a close alliance with the United States.") (Discussions of India-United States ties are still colored with distrust.)

(The leftist parties that belong to Dr. Singh's coalition government have criticized the new defense pact as a threat to India's credibility.)

(Skeptics have wondered aloud whether India will get the high-technology help it wants. Others worry whether linking arms with the United States could subject a country painfully familiar with terrorism to a new round of political violence, or at least, sour its relations with countries in the Muslim world.)

(India's aspirations for a permanent seat on the United Nations Security Council, meanwhile, took a blow this week when the United States rejected a proposal to enlarge it to include India, Japan, Germany, Brazil and two unidentified African states as permanent members. Dr. Singh did not say he would raise the Security Council issue with Mr. Bush.)

(Proponents of the new India-United States amity see long-term advantages for India.)

("If America is supportive of Indian aspirations, it facilitates it," said Uday Bhaskar of the Institute for Defense Studies and Analyses here. "India is concerned about what price it is going to pay. "At the moment that has not been defined adequately. That's the anxiety: what's the pound of flesh?")

(Pratap Bhanu Mehta, a political analyst, read in the United States-

India camaraderie a larger message about India's idea of itself. "We've learned to project power," he argued. "A crucial element of being able to project that power is to say we can deal with the United States, we are so confident nothing of our core self-interests will be compromised. I actually think it is foolhardy.")



498. Statement of Prime Minister Dr. Manmohan Singh before his departure for the United States of America.

New Delhi, July 16, 2005.

"I will be leaving for Washington on an official visit to the United States at the invitation of President George Bush.

India attaches the highest importance to further developing and strengthening the strategic partnership with the United States, both in the bilateral context as well as to strengthen our partnership to meet global challenges. As the world's two largest democracies, we have common values and interests.

In my meetings with President Bush, I look forward to a comprehensive review of our bilateral relations. The United States is our largest trading partner. Accelerated economic cooperation, relating to trade, investment and technology collaboration is a primary objective. Some of the initiatives under consideration include enhancing the content of our Economic and Energy dialogues; Global Initiatives on Democracy and on combating HIV/AIDS and on Agricultural Education and Research. We hope to strengthen our relations in the field of science and technology and hope to enhance the content of our interactions in the field of space and civilian nuclear energy cooperation.

During my stay in Washington, I also look forward to meetings with Vice President Cheney and senior members of the Cabinet. I will be addressing a Joint Session of the US Congress. Meetings have also been arranged with the Senate leadership as well as the India Caucus in the US Congress. I will also be speaking at a luncheon hosted by the National

Press Club. Meetings with leading US and Indian CEOs and a cross section of the vibrant Indian American community are also scheduled.

My visit to the United States is an important element of our effort to establish friendly and productive relations abroad so as to optimize the benefits for India's development and for our security and foreign policy interests¹⁹.



499. Remarks by Prime Minister Dr. Manmohan Singh at the arrival ceremony in the White House.

Washington (D.C), July 18, 2005.

"Mr. President, thank you very much for your warm words of welcome. I greatly value this invitation to visit Washington, and I look forward to my discussions with you this morning. I'm confident that my visit today will give us an opportunity to develop and take forward this strategic partnership between India and the United States.

We share a common commitment to democracy, freedom, human rights, pluralism and rule of law. We face common challenges that threaten

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1. Speaking to journalists on board the aircraft carrying him and his party to Washington for the important visit, Prime Minister did not share the concern of the Left Parties that India was moving away from an independent foreign policy. He said that the Congress Party was the architect of the non-aligned movement and it would be a mistake to think that any Prime Minister of the party would sell India cheap. "India is not for sale," he said and assured the media that he would safeguard it till the end of his life. He made allowance that India had to reckon with the US as the most important power with influence and strength in all areas of international economic and technological cooperation. The interest of the U.S might not always coincide with those of India but India could not function in isolation. "We will try to find areas of convergence," he added. As he saw it the purpose of his visit to the U.S was to brief Washington of India's domestic and international concerns and enlist its cooperation to accelerate economic and social development. While the bulk of resources for development was being mobilized domestically, international finance and transfer of technology would at the margin be important. If the U.S with its influence in shaping the international finance and technology transfer systems cooperated, the international environment would become more favourable. At the moment India was subject to "discriminatory restrictions" that had affected the state of technological development in a number of areas. Dr. Singh hoped the world would have a better appreciation of the country's role as a responsible nuclear power and recognize that the restrictions had outlived their utility. Technological modernization was a priority for him on this visit.

our way of life and values that both our countries hold dear. We share a common resolve and a common responsibility to meet those challenges.

Mr. President, there is vast potential for our countries to work together on an ambitious agenda of cooperation, bilaterally, and with regard to what we can do together to address the global challenges.

Mr. President, your personal commitment to our relations is widely appreciated in India. I am confident that from our talks today will emerge an agenda of cooperation that reflects a real transformation of our relationship. Its realization would help India meet the expectations of its people for a better quality of life, a more secure future, and a greater ability to participate in global creativity. I also believe that working together, our two countries can make a significant contribution to global peace, security and development.

Let me conclude, Mr. President, by thanking you and the First Lady, Mrs. Laura Bush, once again for the warmth of your welcome. I thank you, Mr. President."



500. Speech by Prime Minister Dr. Manmohan Singh at banquet in his honour at the White House.

Washington (D. C), July 18, 2005.

It is a pleasure to thank you, not merely on behalf of my wife and myself, but on behalf of the people of India. The generosity of your hospitality is only exceeded by the generosity of your spirit. I have often heard of the warmth and affection of the American people, but when one feels it with such intensity, it is truly heartwarming.

Bernard Shaw had once described America and England as two countries divided by one language. Perhaps this once held true for India and America as well. I believe our two countries must strive to arrive at a common lexicon and a shared framework of reference in looking at the rest of the world, for there is truly very much that we have in common. However, if, in the recent past, our communication has been better and clearer, a

good deal of the credit must go to President Bush. Mr. President, we are indebted to you for your sustained support to the transformation of the India-US relationship. I have found my visit to your great country to be a highly rewarding experience. The Joint Statement we have issued today highlights some priority areas for expanded cooperation in future. We look forward to working with you to realise our common aspirations in the months and years ahead.

Mr. President, India and America are great nations and great democracies. We cherish the openness of our societies and economies. We value our pluralism, our diversity and our freedoms. These shared values that bring us together must be more visible, not only in how we deal with each other, but also in our approach to the world. We must strengthen democratic capacities jointly. We must oppose the evil of terrorism together. To meet such vital challenges, we must be together on the same page. We must speak the same language and display the same resolve.

Mr. President, I look forward to your visiting India, with Mrs. Bush and to the pleasure of extending our hospitality to you.

Mark Twain had once said that the only foreign land he ever dreamt about or deeply longed to see was India. We have all grown up learning the story of the unfinished voyage of Christopher Columbus. Setting sail to reach India, he discovered America. I now invite the people of America to complete the voyage of that great explorer.

I myself come to the United States with a firm belief that working together, India and the USA can make a significant contribution to global peace and prosperity. Indeed, the contribution that the two million-strong Indian-American community is making to every sphere of activity in this great country is one indicator of the vast untapped potential in our bilateral relationship.

Mr. President, Madam First Lady, Ladies and Gentlemen,

Today has been a day well spent and this is a meal well shared. We are happy to break bread with you in friendship.

Ladies and Gentlemen, I now invite you to join me in a toast to:

The health and happiness of President George Bush and the First

Lady, Mrs. Laura Bush, the friendly people of the United States of America and to the success of all that we are endeavouring to do through this visit to open a new chapter in our relationship.



501. Joint statement issued on the talks between Prime Minister Dr. Manmohan Singh and U.S President George W. Bush.

Washington (D.C), July 18, 2005.

Prime Minister Manmohan Singh and President Bush today declare their resolve to transform the relationship between their countries and establish a global partnership. As leaders of nations committed to the values of human freedom, democracy and rule of law, the new relationship between India and the United States will promote stability, democracy, prosperity and peace throughout the world. It will enhance our ability to work together to provide global leadership in areas of mutual concern and interest.

Building on their common values and interests, the two leaders resolve:

- To create an international environment conducive to promotion of democratic values, and to strengthen democratic practices in societies which wish to become more open and pluralistic.
- To combat terrorism relentlessly. They applaud the active and vigorous counterterrorism cooperation between the two countries and support more international efforts in this direction. Terrorism is a global scourge and the one we will fight everywhere. The two leaders strongly affirm their commitment to the conclusion by September of a UN comprehensive convention against international terrorism.

The Prime Minister's visit coincides with the completion of the Next Steps in Strategic Partnership (NSSP) initiative, launched in January 2004. The two leaders agree that this provides the basis for expanding bilateral activities and commerce in space, civil nuclear energy and dual-use technology.

Drawing on their mutual vision for the U.S.-India relationship, and our joint objectives as strong long-standing democracies, the two leaders agree on the following:

For the Economy

- Revitalize the U.S.-India Economic Dialogue and launch a CEO Forum to harness private sector energy and ideas to deepen the bilateral economic relationship.
- Support and accelerate economic growth in both countries through greater trade, investment, and technology collaboration.
- Promote modernization of India's infrastructure as a prerequisite for the continued growth of the Indian economy. As India enhances its investment climate, opportunities for investment will increase.
- Launch a U.S.-India Knowledge Initiative on Agriculture focused on promoting teaching, research, service and commercial linkages.

For Energy and the Environment

- Strengthen energy security and promote the development of stable and efficient energy markets in India with a view to ensuring adequate, affordable energy supplies and conscious of the need for sustainable development. These issues will be addressed through the U.S.-India Energy Dialogue.
- Agree on the need to promote the imperatives of development and safeguarding the environment, commit to developing and deploying cleaner, more efficient, affordable, and diversified energy technologies.

For Democracy and Development

- Develop and support, through the new U.S.-India Global Democracy Initiative in countries that seek such assistance, institutions and resources that strengthen the foundations that make democracies credible and effective. India and the U.S. will work together to strengthen democratic practices and capacities and contribute to the new U.N. Democracy Fund.

- Commit to strengthen cooperation and combat HIV/AIDs at a global level through an initiative that mobilizes private sector and government resources, knowledge, and expertise.

For Non-Proliferation and Security

- Express satisfaction at the New Framework for the U.S.-India Defense Relationship as a basis for future cooperation, including in the field of defense technology.
- Commit to play a leading role in international efforts to prevent the proliferation of Weapons of Mass Destruction. The U.S. welcomed the adoption by India of legislation on WMD (Prevention of Unlawful Activities Bill).
- Launch a new U.S.-India Disaster Relief Initiative that builds on the experience of the Tsunami Core Group, to strengthen cooperation to prepare for and conduct disaster relief operations.

For High-Technology and Space

- Sign a Science and Technology Framework Agreement, building on the U.S.-India High-Technology Cooperation Group (HTCG), to provide for joint research and training, and the establishment of public-private partnerships.
- Build closer ties in space exploration, satellite navigation and launch, and in the commercial space arena through mechanisms such as the U.S.-India Working Group on Civil Space Cooperation.
- Building on the strengthened nonproliferation commitments undertaken in the NSSP, to remove certain Indian organizations from the Department of Commerce's Entity List.

Recognizing the significance of civilian nuclear energy for meeting growing global energy demands in a cleaner and more efficient manner, the two leaders discussed India's plans to develop its civilian nuclear energy program.

President Bush conveyed his appreciation to the Prime Minister over India's strong commitment to preventing WMD proliferation and stated that as a responsible state with advanced nuclear technology, India should

acquire the same benefits and advantages as other such states. The President told the Prime Minister that he will work to achieve full civil nuclear energy cooperation with India as it realizes its goals of promoting nuclear power and achieving energy security. The President would also seek agreement from Congress to adjust U.S. laws and policies, and the United States will work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India, including but not limited to expeditious consideration of fuel supplies for safeguarded nuclear reactors at Tarapur. In the meantime, the United States will encourage its partners to also consider this request expeditiously. India has expressed its interest in ITER and a willingness to contribute. The United States will consult with its partners considering India's participation. The United States will consult with the other participants in the Generation IV International Forum with a view toward India's inclusion.

The Prime Minister conveyed that for his part, India would reciprocally agree that it would be ready to assume the same responsibilities and practices and acquire the same benefits and advantages as other leading countries with advanced nuclear technology, such as the United States. These responsibilities and practices consist of identifying and separating civilian and military nuclear facilities and programs in a phased manner and filing a declaration regarding its civilians facilities with the International Atomic Energy Agency (IAEA); taking a decision to place voluntarily its civilian nuclear facilities under IAEA safeguards¹; signing and adhering to an Additional Protocol with respect to civilian nuclear facilities; continuing India's unilateral moratorium on nuclear testing; working with the United States for the conclusion of a multilateral Fissile Material Cut Off Treaty; refraining from transfer of enrichment and reprocessing technologies to states that do not have them and supporting international efforts to limit their spread; and ensuring that the necessary steps have been taken to

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1. Foreign Secretary Shyam Saran clarifying the decision to place the nuclear facilities under IAEA safeguards told the press on the same day that India would take on exactly the same obligations as the nuclear weapons states including the United States did and was not a departure from the current policy. There would be no discriminatory safeguards that India would have to follow. The Indian objection had all along been to obligations that discriminated between nuclear weapons states and non-nuclear weapons states and not to any obligations at all that would be taken on by the nuclear weapons states as well. The two leaders agreed to set up a working group to "undertake in a phased manner in the months ahead the necessary actions mentioned above to fulfill these commitments."

secure nuclear materials and technology through comprehensive export control legislation and through harmonization and adherence to Missile Technology Control Regime (MTCR) and Nuclear Suppliers Group (NSG) guidelines.

The President welcomed the Prime Minister's assurance. The two leaders agreed to establish a working group to undertake on a phased basis in the months ahead the necessary actions mentioned above to fulfill these commitments. The President and Prime Minister also agreed that they would review this progress when the President visits India in 2006.

The two leaders also reiterated their commitment that their countries would play a leading role in international efforts to prevent the proliferation of weapons of mass destruction, including nuclear, chemical, biological and radiological weapons.

In light of this closer relationship, and the recognition of India's growing role in enhancing regional and global security, the Prime Minister and the President agree that international institutions must fully reflect changes in the global scenario that have taken place since 1945. The President reiterated his view that international institutions are going to have to adapt to reflect India's central and growing role. The two leaders state their expectations that India and the United States will strengthen their cooperation in global forums.

Prime Minister Manmohan Singh thanks President Bush for the warmth of his reception and the generosity of his hospitality. He extends an invitation to President Bush to visit India at his convenience and the President accepts that invitation.



502. India and United States Successfully Complete Next Steps in Strategic Partnership.

Washington (D.C), July 18, 2005.

India and United States have reached a milestone in their strategic relationship by completing the Next Steps in Strategic Partnership (NSSP). The successful completion of this initiative clears the way for even greater engagement in a number of key areas in which cooperation has previously been limited or non-existent.

The Next Steps in Strategic Partnership, announced in January 2004, was designed to increase cooperation in civilian nuclear activities, civilian space programs, high-technology trade, and missile defense.

Since January 2004, cooperation under the Next Steps in Strategic Partnership progressed through a series of reciprocal steps that built on each other. These steps included expanded engagement on nuclear regulatory and safety issues, enhanced cooperation in missile defense, peaceful uses of space technology, and steps to create the appropriate environment for increased high-technology commerce.

To combat the proliferation of weapons of mass destruction, relevant laws, regulations, and export-related procedures have been strengthened, and measures to increase bilateral and international cooperation in this area were instituted. These cooperative efforts were undertaken in accordance with our respective national laws and international obligations.

The successful completion of the Next Steps in Strategic Partnership is an important milestone in the transformation of the relationship between the United States and India. In particular, completion of the Next Steps in Strategic Partnership will enable the United States to expand the scope of bilateral commercial satellite cooperation, remove U.S. export license requirements for unilaterally controlled nuclear items to most end users, and revise export license requirements for certain items going to safeguarded civil nuclear power facilities.

Completion of the Next Steps in Strategic Partnership demonstrates that President Bush's and Prime Minister Singh's vision of a U.S.-India strategic partnership is becoming a reality, and paves the way for greater

cooperation on strategic, energy security, and economic matters. Our two nations are committed to building upon the progress made since January 2004 and working to identify new ways to expand the growing cooperative relationship.



503. Prime Minister Dr. Manmohan Singh's opening statement at the joint press conference at the White House.

Washington (D.C), July 18, 2005.

I would like to begin by thanking President Bush for the warmth of his hospitality and the wide-ranging discussions that we have had this morning with him. These discussions have been indeed very productive and focused on the future direction of a transformation in our multi-faceted relations. I am happy that the President and I share the common goal of making this one of the principal relationships for each of our countries. President's personal commitment to this relationship is deeply admired by the people of India. The support and goodwill of the friendly people of the United States in managing the transition from a developing country to a fast expanding economy is something we greatly welcome and greatly appreciate. The President's assurance to me that India's sustained economic growth has a strong support and support of the United States means a lot to us.

The Joint Statement that we have agreed upon lays out the full potential of our multi-faceted cooperation. The President has accepted my invitation to visit India at the earliest and we are confident that the results of the understanding that we have reached today would be fully evident by then. Our partnership is one between rigorous and vibrant democracies and we have agreed today to give expression to our shared values in a variety of ways. The President's steadfast determination and leadership in meeting the challenges of international terrorism is widely appreciated by us, in particular, by all civilised men and women over the world. There can be no cause that justifies the killing of innocent and defenceless civilians. There must be an international norm of zero tolerance for terrorism. Meeting

global challenges requires credible and effective global institutions.

Today, the world is debating the reform of the United Nations. In our talks, President and I were of one mind that the contemporary reality must be fully reflected in the central organs and decision-making processes of the UN. India has a compelling case for permanent membership of the Security Council. We are convinced that India can significantly contribute to UN decision making and capabilities. A growing Indian economy with an accelerated growth rate averaging about 6-7 per cent till recent years and its integration with the world economy would expand the scope for commerce, investment and technological collaboration between our two countries.

Shortly, after this press interaction, the President and I will spend a few minutes with corporate leaders from both countries of the first meeting of the CEOs forum. This forum include some of the best business minds of our two countries.

We have announced today a series of other initiatives designed to build a long-term knowledge-driven partnership between India and the United States. These reflect the vision that the President and I have of our shared future. We also discussed the importance of ensuring adequate energy and affordable supplies at a time when oil prices remain high. Both of us recognise that civilian nuclear energy has a greater role in meeting global energy demands. We in India have an ambitious and attainable national roadmap in this regard. We look forward to President Bush's strong leadership on this important issue. I must once again thank you Mr. President for the warmth of your welcome and for your deep and abiding personal commitment to the building of our partnership.



504. India - U.S. Global Democracy Initiative.**Washington (D.C), July 18, 2005.**

India and the United States share a fundamental commitment to democracy and believe they have an obligation to the global community to strengthen values, ideals and practices of freedom, pluralism, and rule of law. With their solid democratic traditions and institutions, they have agreed to assist other societies in transition seeking to become more open and democratic. They recognize democracy as a universal aspiration that transcends social, cultural and religious boundaries.

Each has expressed at the highest levels its belief that democracy is central to economic prosperity and development and to building peaceful societies.

Possessing a wealth of knowledge and experience that can, and must, be shared with other emerging democracies, the United States and India will offer assistance when sought to build institutions and develop relevant human resources that make the workings of democracy credible. An independent judiciary, a credible election commission, an active human rights commission, and effective and transparent auditing process are some of the critical elements of that democratic ideal. The spread of parliamentary practices is also an important contribution to the process of democratic transition. Gender equality is an integral aspect of democratic societies, and support for programs promoting this objective is envisaged as a high priority.

Respect for diversity and pluralism is intrinsic to democracy. The U.S. and India will support programs that will sustain and nurture the value of pluralism. They will encourage and support the United Nations in its electoral assistance programs, including through national capacity building, constitution drafting and electoral expertise for transition democracies.

The United States and India welcome the Democracy Fund under the United Nations and announce they are taking steps to make a contribution of U.S. \$10 million each to the Fund this year. They invite other democratic nations to contribute generously to the Fund, which should assist societies in building the institutions of democracy.

Through the launch of their Global Democracy Initiative to Promote Democracy and Development, they have agreed to:

- Reaffirm the Community of Democracies Santiago Commitment, and agree to work together to jointly implement the Santiago commitment, including with other states and civil society organizations, to promote democracy and development.
- Organize together training courses in India, the United States, or a third country where necessary, to enhance capabilities to strengthen democratic institutions and develop their human resources.
- Establish a virtual Coordination and Information Center to share best practices on democracy, identify opportunities for joint support, and highlight capacity-building training programs.
- Partnering at the UN General Assembly Summit on the Millennium Development Goals to ensure that the outcome advances the important link of democracy and development.



405. India - U.S. Economic Dialogue: Strengthening Information and Communication Technology Cooperation.

Washington (D.C), July 18, 2005.

The extent and depth of Indian - U.S. cooperation in the development and formulation of policy in the information and communications technology (ICT) sector has recently made significant progress. A key underpinning of our deepening bilateral economic partnership has been the demand for enhanced electronic connectivity between our two countries. India has become a key market for many information communication technology products made in the United States, while the United States is an important consumer of Indian IT-enabled services.

The launch of the United States - India Information and Communications Technology Working Group Working Group recognizes the impact that this sector has on the future of our bilateral economic

partnership. It will focus the strong interest that exists on each side to enhance understanding and share perspectives on developments in the information and telecommunications sectors, leading to tangible accomplishments and problem solving. The participants will consist of appropriate representatives from each government in close coordination with the private sector.

The dialogue will seek to address outstanding issues and opportunities that can benefit through a more regular and structured dialogue process. These include explorations of further policy development, commercial opportunities and obstacles and matched goals in multilateral settings such as the World Summit on the Information Society, the International Telecommunication Union, and the World Trade Organization. In particular, the Working Group will explore ways that investment and regulatory regimes can be developed to maximize development of the sector, provide meaningful market access opportunities, and support robust competition.

Officials from India and the United States have participated in exchanges of high-level delegations, training opportunities, regional conferences and ongoing sharing of information and perspectives. The U.S. Government, through the Department of State, the Department of Commerce, the U.S. Trade Representative's Office and the Federal Communications Commission, has established productive working relationships with counterparts in India, including the Ministry of Information and Communications, the Telecom Regulatory Authority of India (TRAI), and the Ministry of External Affairs. The extent and quality of the discussions continue to grow, resulting in mutual understanding and concrete benefits.

As a cross-cutting theme, the Information and Communications Technology dialogue will aim to support the overall objectives of the Economic Dialogue which include: better coordination of discussions and activities between the two governments, soliciting the support of private sector stakeholders and incorporating their views into government decisions and actions concerning the bilateral economic relationship. The dialogue will complement the work of the existing High-Technology Cooperation Group and the Cybersecurity Forum.

The United States encourages liberalization of telecommunications markets worldwide and supports standards that are open, interoperable, non-discriminatory, and demand-driven. The U.S.- India Information and

Communication Technology Working Group promises to be a good example of how regulatory dialogue and increased transparency can benefit both countries and recognizes the role of information and communications technology in promoting sustained economic growth and strengthening the U.S.-Indian economic partnership.



506. Joint statement on India - U.S. Energy Dialogue.

Washington (D.C), July 18, 2005.

Growing concerns about energy security have prompted India and the U.S. to launch a new Energy Dialogue that reflects the transformed strategic relationship between the world's two largest democracies. Adequate and reliable supplies of energy at reasonable cost are essential to fuel India's rapidly growing economy. The U.S. and India are becoming increasingly reliant upon oil and natural gas markets to satisfy their energy needs. Both nations depend heavily upon domestic supplies of coal for electric power generation and seek to increase their utilization of natural gas, renewable energy and nuclear power as well as pursue energy efficient practices to ensure a balanced and sustainable energy economy that helps preserve a clean environment. The United States and India recognize their mutual interests are best served by working together in a collaborative fashion to ensure stability in global energy markets.

The U.S. – India Energy Dialogue was launched on May 31, 2005. It established five Working Groups along with a Steering Committee to provide oversight. The goals of the Dialogue are to promote increased trade and investment in the energy sector by working with the public and private sectors to further identify areas of cooperation and collaboration. Building upon the broad range of existing cooperation, it is hoped that this effort will help mobilize secure, clean reliable and affordable sources of energy.

The five Working Groups are:

- Oil and Gas,
Coal,

Power and Energy Efficiency,
New Technologies and Renewable Energy, and:

Civil Nuclear.

The Oil and Gas Working Group will endeavor to strengthen mutual energy security and promote stable energy markets to ensure adequate supplies of energy that will support desired levels of economic growth. It will additionally work as a forum to exchange information and develop lines of communication for policy coordination in times of market instability, and promote increased trade and investment in the oil and gas sector. The Working Group met in July and agreed on future activities.

The Power and Energy Efficiency Working Group will advance understanding of efficient generation, transmission and distribution of electricity and promote the exchange of information on regulatory policies. It will develop cooperative programs and promote technologies to enhance end-use efficiency with special emphasis on the "last mile" distribution and utilization of electricity in urban and rural networks. It will also conduct cooperation on clean coal preparation and modern coal conversion systems in power generation.

The Coal Working Group will promote the efficient and environmentally responsible use of coal. Its activities will be designed to enhance the understanding of coal-related energy issues and promote the exchange of information on policies, programs, and technologies with special emphasis on coal utilization for power generation and clean fuels production. The Working Group met in July and agreed on future activities.

The New Technology and Renewable Energy Working group will promote the development and deployment of clean, new and renewable energy and technologies leading to enhanced energy security and stable energy markets that will support desired levels of economic growth with appropriate concern for the environment.

The Civil Nuclear Working Group will foster exchanges between the Department of Energy and the Nuclear Regulatory Commission (NRC) and India's Department of Atomic Energy and Atomic Energy Regulatory Board on each country's peaceful nuclear energy-related initiatives, including national practices, research interests, approaches to regulatory oversight

and views of the role of nuclear energy in meeting global energy requirements. These exchanges may include discussions on peaceful applications of fusion science and related fundamental research topics.



507. India - U.S. Disaster Relief Initiative.

Washington (D.C), July 18, 2005.

India and the United States committed themselves to aiding those affected by the December 2004 tsunami's devastation and, through the creation of the Tsunami Core Group, demonstrated their willingness and desire to be full-fledged partners in the relief operations. Recognizing that the combined efforts of the U.S. and India significantly enhanced the world's response to the tsunami disaster of December 26, 2004, the President and the Prime Minister announced today the launch of the U.S.-India Disaster Relief Initiative (DRI) to contribute to disaster preparedness and future relief operations.

The Disaster Relief Initiative will build upon the existent, strong civilian relationship between the two governments in disaster relief, involving the U.S. Agency for International Development and the Indian Ministry of Home Affairs. Through the Initiative, the U.S. and India seek to increase their ability to respond to disasters in an integrated fashion, partnering with other U.S., Indian and UN agencies, as well as international Non-Governmental Organizations (NGOs) and other governments as appropriate. The U.S. and India will continue to work together with the regional community on the development and implementation of early warning system programs.

As mandated by the New Framework for the U.S.-India Defense Relationship, the U.S. and India will strengthen their military capabilities to respond effectively to future disasters by conducting joint and combined military exercises. U.S. Pacific Command (USPACOM) and the Indian Integrated Defence Staff (IDS) will be the respective military leads in each country to establish a dialogue and identify additional military training needs, skills-development requirements, and other challenges to a speedy and effective disaster response.

As part of the Disaster Relief Initiative, the U.S. and India agree to cooperate to help build disaster response capabilities in other countries. They would also share best practices and experiences with a view to strengthening a regional response to natural disasters.



508. India and the United States initiative in the fight against HIV/AIDS.

Washington (D.C), July 18, 2005.

Recognizing that the HIV/AIDS pandemic constitutes one of the greatest challenges facing humankind in the 21st century, India and the United States declared their shared commitment to strengthening cooperation to combat the disease at the global level. Prime Minister Singh and President Bush vowed to scale up current prevention and control initiatives in India and extend these efforts, where appropriate, to other vulnerable countries.

Expedited FDA Review of Anti-Retroviral Drugs (ARVs) Under the President's Emergency Plan and Ongoing Collaboration in the Sciences Regarding this partnership, the U.S. will continue to expedite the review of applications for approval or tentative approval by the Food & Drug Administration (FDA) of generic antiretrovirals (ARVs) received from Indian pharmaceutical companies under the President's Emergency Plan. Eight of ten generic antiretrovirals approved so far are Indian products.

India and the U.S. will continue to collaborate in basic sciences, product development, and clinical trials research, in the hopes that joint efforts may lead to the development of products with global relevance to Africa and other parts of Asia, particularly pediatric formulations of antiretrovirals. The U.S. and India will explore new opportunities for public-private collaboration on HIV/AIDS product development and increase capacity to conduct world-class clinical trials in India.

U.S.-India HIV/AIDS Private-Sector Corporate Initiative With a large number of infections, India is at a critical point in its fight against HIV/AIDS.

Following on India's recent scale up of resources and renewed political commitment to fight HIV/AIDS, President Bush announced an additional U.S. contribution of \$7 million to expand resources available to fight HIV/AIDS in India. These new resources will catalyze an innovative partnership, the HIV/AIDS Private-Sector Corporate Initiative. This initiative will build alliances between U.S. and Indian companies and the governments of India and the United States in the fight against HIV/AIDS, and could be expanded to other countries. It has three components:

Establishment of a Private-Sector HIV/AIDS Capital Fund that will accept donations from both Indian and U.S. companies;

Expansion of HIV/AIDS Workplace Programs; and Increased access to safe, effective, quality anti-retroviral drugs, particularly for pediatric treatment.



509. Establishment of Chief Executive Officers' Forum for enhancing India- U.S Economic Dialogue.**Washington (D.C), July 18, 2005.**

The significance for each country of Indian - U.S economic partnership cannot be overstated. Extending beyond trade, which is rapidly growing, the intensifying and increasingly complex economic links being forged between our two countries are having a profound impact on our joint and respective economic outlook in the 21st century. In recognition of that fact and to provide a useful context, the governments of the United States and India agreed to energize our wide-ranging Economic Dialogue (ED) covering key sectors in our economic partnership. The Co-conveners of the Economic Dialogue are Assistant to the President for Economic Policy and Director of the National Economic Council Allan Hubbard (U.S.) and Deputy, Planning Commission Dr. Montek Singh Ahluwalia (India).

The Economic Dialogue, created in 2000 and revised in 2001, was realigned this year to create a separate Energy Dialogue. The Economic Dialogue has four tracks: the Trade Policy Forum, the Financial and Economic Forum, the Environment Dialogue and the Commercial Dialogue. Each of these tracks is led by the respective U.S. agency and Indian ministry. The Economic Dialogue has two cross-cutting themes in biotechnology and information technology. The IT theme is now expanded to become the Information and Communications Technology Working Group (ICT Working Group).

CEO Forum

Both our governments have agreed that we should create a high-level private sector forum to exchange business community views on key economic priorities. Input from the business community is an integral component of a successful bilateral economic dialogue. To harness that input, the United States and India have established a CEO Forum, composed of 10 chief executives from each country. The chief executive officers represent a cross-section of industrial sectors, particularly those that have a stake in improving the commercial climate between our two countries. This will also serve as a channel to provide senior-level private sector input

into discussions and formulation of economic policy. Their input will help the United States and India make progress on key issues that will enhance economic growth and job creation and promote bilateral trade and investment by harnessing the energy and expertise of private sector leaders.

The CEOs are:

U.S.

Paul Hanrahan, AES Corporation

Warren R. Staley, Cargill Inc

Charles Prince, Citigroup

William Harrison Jr., JP Morgan Chase

David M. Cote, Honeywell

Harold McGraw III, The McGraw-Hill Companies

Thomas J. O'Neill, Parsons Brinckerhoff, Ltd.

Steven Reinemund, PepsiCo, Inc.

Christopher Rodrigues, Visa International

Anne M. Mulcahy, Xerox Corporation

India

Ratan N. Tata, Tata Group, Indian Chair

Dr. Pratap C. Reddy, Apollo Hospitals Group

aba N. Kalyani, Bharat Forge Ltd.

iran Mazumdar-Shaw, Biocon India Group

Deepak S. Parekh, HDFC

Ashok Ganguly, ICICI One Source

Nandan M. Nilekani, Infosys Group

Yogesh C. Deveshwar, ITC Ltd.

Analjit Singh, Max India Group

Mukesh Ambani, Reliance Industries, Ltd



510. India - U.S. set up a Trade Policy Forum

Washington (D.C), July 18, 2005.

U.S. Ambassador Robert Portman and Indian Minister of Commerce and Industry Kamal Nath announce the establishment of a new consultative mechanism called "The United States-India Trade Policy Forum," to be chaired by themselves or their Deputies. Other relevant U.S. Government agencies and Indian Ministries will also participate. The Forum will be part of the overall United States-India Economic Dialogue, replacing the Trade Policy Working Group pillar. It will convene on a regular basis.

The Forum will provide an opportunity to work together to expand trade between our two countries. Our governments will consider a wide range of issues of interest to both governments with the expectation of expanding bilateral trade and investment.

The agenda could cover the following subjects: tariff and non-tariff trade barriers; foreign direct investment; subsidies; customs procedures; standards, testing, labeling and certification intellectual property rights protection; sanitary and phytosanitary measures; government procurement; and services. It also offers the opportunity for our governments to work together bilaterally toward a successful outcome of the Doha Round of multilateral trade negotiations.



511. India - U.S. Knowledge Initiative on Agricultural Education, Teaching, Research, Service and Commercial Linkages.

Washington (D.C), July 18, 2005.

More than 50 years ago, India and the United States signed agreements to improve agricultural education and research in India. The U.S. also launched extension/outreach services aimed at providing advice to Indian farmers on new agricultural technologies. A key result of these initiatives was the establishment of five state agricultural universities in India with considerable advisory support from colleagues at American Land-Grant universities. This rich tradition of collaboration in knowledge exchange helped to launch India's Green Revolution, which itself led to the country's subsequent emergence from food insecurity. At the same time, through cooperation, American campuses were extensively enriched with international insights and networks.

Recent years have seen a host of changes. Our relationships have matured such that we now assume more co-equal partnerships that help us meet mutually important goals - and perhaps even jointly assist others in need. The private sector and foundations also play an increasingly active role. Agriculture has become global in its reach, much more complex in its trades and exchanges, more technologically grounded, and ever more challenged with balancing sustainability, productivity and social responsiveness.

The United States - India Knowledge Initiative on Agricultural Education, Teaching, Research, Service and Commercial Linkages announced today will provide the momentum needed to re-energize our longstanding tradition of knowledge exchange. Through it, we will draw upon what we have learned to find new, creative and realistic ways to revitalize our partnership such that agricultural programs at our colleges and universities are better able to respond to the current and future needs of our people, and to opportunities in today's vibrant private business environment.

The Knowledge Initiative will develop a plan for our governments by November 2005 that identifies priority areas for partnerships in teaching, research, and service as follows. The plan will describe steps needed to

initiate and develop those partnerships, and it will consider resource implications.

-Teaching - The Knowledge Initiative will consider new and existing mechanisms to strengthen curricular design, course content and delivery, and degree attainment in both countries so as to internationalize the student experience. It will also look for ways to enhance the structure and sustainability of agricultural programs at universities.

- Research - The Initiative will examine and prioritize key collaborative research approaches, topic areas and impact assessments. Possible areas of focus include improved bioproducts; more sustainable use of water and other resources; strengthened systems of pest management; and better understanding of economically viable and environmentally sustainable production systems.

- Service - The Initiative will identify effective, innovative and collaborative approaches that link research results to those who use them such as producers, processors, and marketers of farm goods. Public and private advisory services will be considered.

- Commercial Linkages - The Initiative will look for ways to include private sector suppliers and marketers as participants and funding partners.



512. Address of Prime Minister Dr. Manmohan Singh to the Joint Session of the U. S. Congress.

Washington (D.C), July 19, 2005.

Mr. Speaker,
Mr. Vice President,
Distinguished members of the US Congress,
Ladies and Gentlemen,

I deem it a privilege to be invited to address this Joint Session of the US Congress. I thank you for the invitation. I bring you the greetings and good wishes of the people of India.

India and the United States have much in common that is very important to both countries. You are the world's oldest democracy, we are its largest. Our shared commitment to democratic values and processes has been a bond that has helped us transcend differences. We admire the creativity and enterprise of the American people, the excellence of your institutions of learning, the openness of the economy, and your ready embrace of diversity. These have attracted the brightest young minds from India, creating a bridge of understanding that transcends both distance and difference between us. In addition to the values we share as democracies, there is also a convergence in our perceptions of a rapidly transforming global environment, bringing us much closer together than at any time in the past.

Globalization has made the world so inter-dependent that none of us can ignore what happens elsewhere. Peace and prosperity are more indivisible than ever before in human history. As democracies, we must work together to create a world in which democracies can flourish. This is particularly important because we are today faced with new threats such as terrorism, to which democracies are particularly vulnerable.

Indian democracy has been fashioned around India's civilisational ethos which celebrates diversity. Our society today is the culmination of centuries of assimilation of diverse peoples and ethnic groups. All the major religions of the world are represented in India. We have a tremendous diversity of languages, customs and traditions. The Father of our Nation, Mahatma Gandhi called for universal adult franchise as early as 1931, long

before India became independent. Our political leadership remained true to this commitment and the Constitution we adopted after Independence enshrined democracy based on free elections and the associated principles of tolerance of dissent, freedom for political activity, protection of human rights and the Rule of Law. Our first Prime Minister, Jawaharlal Nehru, addressing this very forum in 1949, acknowledged our debt to America on this score. He said that you could hear in our Constitution the echo of the great voices of the Founding Fathers of your Republic.

Ladies and Gentlemen,

The real test of a democracy is not in what is said in the Constitution, but in how it functions on the ground. All Indians can be proud of what we have achieved in this area and our experience is also relevant beyond our boundaries. Free and fair elections are the foundation of a democracy. Over the past six decades, governments in India, at both the national and State level, have regularly sought the mandate of the people through elections.

Our elections are conducted under the supervision of a statutory independent Election Commission, which has earned respect for its fairness and transparency, both at home and abroad. The independent judiciary has been a zealous defender of our Constitution and a credible guarantor of the Rule of Law. The Press is a key institution in any democracy and our media has a well-earned reputation for being free and fearless. Our minorities, and we have many, participate actively in all walks of national life - political, commercial and cultural. Civil society organisations are thriving and are vigilant in protecting human rights. They are also watchful of threats to the environment. Our Army has remained a professional force, subject throughout to civilian control.

Recently, the Constitution was amended to ensure constitutionally mandated elections to village and municipal councils. This process has produced no less than 3 million elected representatives in the country, with 1 million positions reserved for women. This has brought democracy closer to the people and also empowered women and promoted gender balance.

Our commitment to democratic values and practices means there are many concerns and perceptions that we share with the United States. The most important common concern is the threat of terrorism. Democracy can only thrive in open and free societies. But open societies like ours are

today threatened more than ever before by the rise of terrorism. The very openness of our societies makes us more vulnerable, and yet we must deal effectively with the threat without losing the openness we so value and cherish. India and the United States have both suffered grievously from terrorism and we must make common cause against it. We know that those who resort to terror often clothe it in the garb of real or imaginary grievances. We must categorically affirm that no grievance can justify resort to terror.

Democracies provide legitimate means for expressing dissent. They provide the right to engage in political activity, and must continue to do so. However, for this very reason, they cannot afford to be soft on terror. Terrorism exploits the freedom our open societies provide to destroy our freedoms. The United States and India must work together in all possible forums to counter all forms of terrorism. We cannot be selective in this area. We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere.

We know from experience that democratic societies which guarantee individual freedom and tolerance of dissent provide an environment most conducive to creative endeavour, and the establishment of socially just societies. We therefore have an obligation to help other countries that aspire for the fruits of democracy. Just as developed industrial countries assist those that are less developed to accelerate development, democratic societies with established institutions must help those that want to strengthen democratic values and institutions. In this spirit, President Bush and I agreed yesterday on a global initiative to help build democratic capacities in all societies that seek such assistance.

The capacities we have in mind are those related to the electoral, parliamentary, judicial and human rights processes of emerging democracies. Respect for cultural diversity, minority rights and gender equality is an important goal of this initiative.

Democracy is one part of our national endeavour. Development is the other. Openness will not gain popular support if an open society is not a prosperous society. This is especially so in developing countries, where a large number of people have legitimate material expectations which must be met. That is why we must transform India's economy, to raise the standard of living of all our people and in the process eliminate poverty.

India's aspirations in the respect are not different from those of other developing countries. But we are unique in one respect. There is no other country of a billion people, with our tremendous cultural, linguistic and religious diversity that has tried to modernise its society and transform its economy within the framework of a functioning democracy. To attempt this at our modest levels of per capita income is a major challenge. We are determined to succeed in this effort.

To achieve our developmental goals, our policies and strategies must be in step with changed circumstances and especially the opportunities now available in the global economy. Prime Minister Rajiv Gandhi, standing at this very podium two decades ago, spoke of the challenge of building anew on old foundations. He started a process of reorienting India's economic policies, which has been continued by successive governments.

The economic policy changes that have been made in India have far-reaching implications. They have liberated Indian enterprise from government control and made the economy much more open to global flows of trade, capital and technology. Our entrepreneurial talent has been unleashed, and is encouraged to compete with the best. We will continue this process so that Indian talent and enterprise can realize its full potential, enabling India to participate in the global economy as an equal partner.

We are often criticised for being too slow in making changes in policy, but democracy means having to build a consensus in favour of change. As elected representatives, you are all familiar with this problem. We have to assuage the doubts and calm the fears that often arise when people face the impact of change. Many of the fears we have to address are exaggerated, but they must be addressed. This is necessary to ensure sustainability. India's economic reforms must be seen in this light: they may appear slow, but I assure you they are durable and irreversible.

I am happy to say that our efforts at transforming India into an economy more integrated with the world have borne fruit. Our rate of growth of GDP has increased steadily, and has averaged around 6.0% per year over the past two decades. Poverty has declined although more slowly than we would like. We are determined to improve on this performance. We hope to raise our growth rate to 8% or so over the next two years, and we will ensure that this growth is "inclusive" so that its benefits are widely spread. For this we must act on several fronts. We must do much more in health

and education, which are crucial for human development. We must continue to open up our economy. We must impart a new impetus to agricultural development. We must expand investment in economic infrastructure which is a critical constraint on our growth prospects.

India's growth and prosperity is in American interest. American investments in India, especially in new technology areas, will help American companies to reduce costs and become more competitive globally. Equally, India's earnings from these investments will lead to increased purchases from the United States. The information technology revolution in India is built primarily on US computer related technology and hardware. There are many other examples of such two-way benefits, with both sides gaining from the process.

U.S. firms are already leading the foreign investment drive in India. I believe 400 of the Fortune 500 are already in India. They produce for the Indian market and will hopefully also source supplies from India for their global supply chains. We welcome this involvement and look forward to further expansion in the years ahead. India needs massive foreign direct investment, especially in infrastructure. I hope American companies will participate in the opportunities we are creating.

The 21st Century will be driven by knowledge-based production and India is well placed in this area. We have a large and relatively young population with a social tradition that values higher education. Our educated young people are also English speaking. This makes us potentially an attractive location for production of high-end services whether in software, engineering design or research in pharmaceutical and other areas. Our laws on intellectual property rights have been recently amended to comply fully with our international obligations under the WTO. We look forward to attracting business in these areas from the United States.

The presence of a large number of Indian Americans in high technology industries here makes the US and India natural partners. It gives you confidence about India's human resource capability. It also gives you an edge over your competitors in the ease with which you can operate in India. We are proud of what the Indian American community have done in this country. I was touched, as were many of my countrymen, by the news that a Resolution of this House celebrated the contribution of Indian

Americans to research, innovation, and promotion of trade and international cooperation between India and the U.S.

To fully exploit potential areas for cooperation between our two countries, we need to make special efforts to bring our private sectors closer together. To this end, President Bush and I have constituted an India-US forum of chief executive officers. I hope this forum will promote greater understanding of each other's perspectives and also a better assessment of prospects for future cooperation. The two governments will draw on their experience and advice on how to realize the full potential of our relationship.

The bulk of our population still depends upon agriculture for a living. The United States was an early partner in this area, helping to establish agricultural universities and research institutions in India in the 1960s. It was an American, Nobel Laureate Norman Borlaug, supported by a grant from the Rockefeller Foundation, who developed high yielding varieties of wheat in Mexico which were then adapted to Indian conditions in the Agricultural Universities you helped establish. This was the start of the Green Revolution in India that lifted countless millions above poverty. I am very happy to say that President Bush and I have decided to launch a second generation of India-US collaboration in Agriculture. The new initiative will focus on basic and strategic research for sustainable development of agriculture to meet the challenge of raising productivity in conditions of water stress. It seeks to take information and know-how directly to the farming community and promote technologies that minimise post harvest wastage and improve food storage. It will also help Indian farmers to meet phytosanitary conditions and enable them to participate more fully in global agricultural trade.

Ladies and Gentlemen,

Energy security is another area where our two countries have strong common interests. The world's reserves of hydrocarbons are finite and we must tap new energy sources. India's reliance on coal and hydro-power will increase. We have to invest in new oil and gas exploration and in enhanced recovery of oil and gas from available fields. We must also tap the full potential of nuclear energy. The US can help in all these areas. I am happy to say that we have initiated an Energy Dialogue with the U.S. to explore the scope for cooperation in each of these areas in the years ahead.

The field of civil nuclear energy is a vital area for cooperation between our two countries. As a consequence of our collective efforts, our relationship in this sector is being transformed. President Bush and I arrived at an understanding in finding ways and means to enable such cooperation.

In this context, I would also like to reiterate that India's track record in nuclear non-proliferation is impeccable. We have adhered scrupulously to every rule and canon in this area. We have done so even though we have witnessed unchecked nuclear proliferation in our own neighbourhood which has directly affected our security interests. This is because India, as a responsible nuclear power, is fully conscious of the immense responsibilities that come with the possession of advanced technologies, both civilian and strategic. We have never been, and will never be, a source of proliferation of sensitive technologies.

We are conscious that plans to meet our energy requirements will have implications for the environment. This is especially so since any energy scenario for India will involve heavy dependence on coal. Clean coal technologies that can make an impact need to be developed and should be affordable for poorer countries. We need to find ways whereby sufficient resources can be devoted to ensure the development of these technologies. We must also find ways of allowing greater access for developing countries to these technologies including ways of undertaking cooperative research. We stand ready to explore new partnerships in this area with you, which will help enable a more efficient use of our hydrocarbon resources.

There are other areas too where we can collaborate. Our combined effort in providing relief and succour to the millions affected by last December's tsunami is an example of what partnership can achieve. Building on this experience, President Bush and I have launched a joint initiative to ensure that our capabilities will be readily on call for those in need in similar situations in future. The global challenge of HIV/AIDS is another area for India-US cooperation. President Bush and I have agreed on the need to provide increased international access to safe and effective anti-retroviral drugs.

Ladies and Gentlemen,

Globalisation has woven a web of inter-connections across the world. This makes it all the more necessary that we evolve a system of global

governance that carries credibility and commands legitimacy. Such a system must be sufficiently participative to be able to generate a global consensus. It must also reflect contemporary reality. The Doha round of world trade negotiations and the reform of the United Nations are two major processes in the international arena where we need to work together to strengthen the system of global governance.

India is committed to strengthening the multilateral trading system and we will work with the U.S. and other partners for a successful outcome of the Doha Round. I am sure that we can find a reasonable and balanced outcome that is mutually beneficial. We will make every effort to do so.

On the reform of the United Nations, we believe that it is time to recognise the enormous changes that have occurred since the present structure was established. There must be comprehensive reform of the United Nations to make it more effective and also more representative. The UN Security Council must be restructured as part of the reform process. In this context, you would agree that the voice of the world's largest democracy surely cannot be left unheard on the Security Council when the United Nations is being restructured.

Mr. Speaker, Mr. Vice President, Distinguished Senators and Members of the House of Representatives, Ladies and Gentlemen,

I would like to conclude by saying that the Indian people look forward to a bright future, full of confidence, based on a growing recognition of our economic capabilities and the readiness of our society to meet the challenges before us. We have had some success in improving the quality of life of our own people and we will redouble our efforts to this end. We will also work towards securing a world order in which democracy can flourish, and in which developing nations can strive for greater prosperity. As two democracies, we are natural partners in many respects. Partnerships can be of two kinds. There are partnerships based on principle and there are partnerships based on pragmatism. I believe we are at a juncture where we can embark on a partnership that can draw both on principle as well as pragmatism. We must build on this opportunity.

My objective on this visit was to lay the basis for transformed ties between our two great countries. I believe that we have made a very good beginning. With the support and understanding of the Congress, the full

benefits of our partnership will be realised in the months and years to come. India is today embarked on a journey inspired by many dreams. We welcome having America by our side. There is much we can accomplish together.



513. Speech of Prime Minister Dr. Manmohan Singh to the India Caucus of the U. S. Congress.

Washington (D.C), July 19, 2005.

Distinguished Members of Congress, friends of India,

Ladies and Gentlemen:

I deem it a privilege to meet you shortly after being given the signal honour of addressing a Joint Session of the Congress earlier today. This meeting is an invaluable opportunity for me to set before friends of India—the votaries of a strong bilateral relationship—the task that lies ahead of us in forging a stronger India-US partnership.

I do so secure in the confidence that India will have your support in our efforts to strengthen and consolidate our bilateral ties. I thank you for your interest in India and the support that you have extended to making our relationship stronger and forward looking.

Earlier today, I referred to our common heritage as liberal democracies. I spoke of the commonalities that bind our two nations together. Indeed, given these commonalities and the fact that there has never been any reason for a conflict of interests between us, I have always been perplexed by the fact that our relations have not developed to their fullest potential. Our bilateral relationship has in the past been described as one between estranged democracies. However, during this visit, I have become convinced that our relationship must now evolve beyond this stereotype. We must have a transformation to create a true strategic partnership that befits two of the world's great democracies.

Such a transformation requires support from all sections of society. The India Caucus can join hands with Government on both sides, not just in removing the misperceptions and stereotypes of the past, but also in

pooling our collective efforts to realize the hopes with which our two countries now view this partnership.

Ladies and Gentlemen,

In our discussions yesterday, President Bush and I identified several new areas in which we would take our partnership forward. One of these is a Global Democracy Initiative to assist nations that aim to establish democratic institutions based on the eternal values of liberty, freedom and equality. This effort will be based on engagement with the international system, including through institutions of the United Nations, such as the UN Democracy Fund. In this context, India has decided to contribute \$10 million to the UN Democracy Fund.

The President and I also shared the view that as democratic and pluralistic societies, we face a common threat from global terrorism. International terror does not merely threaten our security, it is also an assault on decency and our values. No grievance can justify terrorist attacks on innocent people. This is a challenge with which free societies cannot compromise. There must be an international norm of zero tolerance on terrorism.

We also discussed the issue of resuming cooperation in the field of civil nuclear energy. Energy scarcity and infrastructure bottlenecks are two major constraints on our further growth, along with older, unresolved problems of poverty, ignorance and chronic disease. Rising oil prices have brought into question our continued dependence on hydrocarbons. Increasingly, we in India see no alternative to investing more in nuclear energy, clean coal, hydrogen cells and other new and environmentally friendly technologies.

In this context, President Bush and I have reached agreement on cooperation in this vital sector. We are finding ways and means to enable cooperation in this regard, so that our plans are consistent with our respective national commitments and our respective national security needs. India, with its exemplary track record, will never pose any proliferation concerns for the international community. India has actively embraced globalization. This must now extend to cooperation in the field of civilian nuclear energy as well.

Ladies and Gentlemen,

India is undergoing a rapid and increasingly all-encompassing process of transformation. A billion-strong society developing at our current pace in a democratic framework has no historical precedent. We are one of the fastest growing economies in the world.

Such an Indian economy is in the long term interests of US trade and business. Rising income levels and purchasing power in India have created demands for American products and services. The Open Skies Agreement signed in April 2005 reflects, for example, the emergence of strong tourism and travel. Admittedly, there is a trade gap, but if the United States plays to its strengths, that could easily narrow. This year, US exports have grown by almost 45% as compared to an Indian export growth rate of 15%.

Our focus remains on instituting policies of high growth aimed at encouraging investment flows and expanding trade. We are currently receiving about \$6 billion annually as foreign investment. We need several times this amount. We have to strengthen investor confidence and have done so by putting in place a new Intellectual Property Rights regime, removing restrictions on joint venture expansions and resolving the controversy over Enron's investment in the Dabhol power project. The establishment of an India-US CEOs Forum and their first meeting in Washington will, I am confident, infuse enthusiasm in the US investor community.

Our vision of prosperity is not a narrow one. I believe that if India's current economic growth is sustained; it will impact for the better on our neighbourhood, and bring out the true development potential of a naturally integral region. Those of our neighbours who have identified in our growth an opportunity to advance their own economies have benefited substantially. We look forward to the process of economic development transforming the nature of political discourse in our region.

In addressing the emerging and future challenges of global interdependence, the question that must be asked by our friends is whether or not the interests of the United States would be better served by India's presence in the UNSC. I believe that the commonalities in our interests far

outweigh any differences. UN reform must be comprehensive and extend also to making its activities more efficient and cost-effective.

Ladies and Gentlemen,

A heavy responsibility rests on this Caucus in providing leadership for the realization of the ambitious agenda of our cooperation. I know I can count on your continued support as we move to further strengthen India-US relations.



514. Remarks of Prime Minister Dr. Manmohan Singh at the Reception hosted by Indian Ambassador.

Washington (D. C), July 19, 2005.

"I am very pleased to be with all of you this evening and appreciate your warm welcome. I am here in Washington on a visit at the invitation of President Bush. It is our shared hope that the discussions that we had yesterday would mark a transformation of ties between our two great democracies. I take the opportunity today to share with you my thoughts regarding the vision of our partnership and what you, as Indians resident in the United States, could contribute to these goals.

In 1949, Panditji came here on what he himself described as a 'voyage of discovery'. I am here on a mission to give U.S. leaders an overview of the dramatic changes now taking place in India in our quest for social and economic transformation. India now happens to be one of the fastest growing economies in the world. Indian economy has now acquired the capacity to grow annually at the rate of 7-8 per cent. It is an endeavour to communicate to the opinion makers the ferment and energy that characterize Indian society. It is to convey that there is a new India in the making: one of world class firms, of a dynamic services sector, of young entrepreneurs and risk takers, of confident professionals and of rising urban and rural income levels. My purpose in coming to the United States were three. First, to enhance an appreciation of these very changes which have given us the capability to better partner the United States. Second, to emphasise that the United States can contribute to these processes, accelerate growth

rates in India by its policies and that it is in US strategic interest that the Indian economy expands rapidly. And third, that the educational empowerment of a demographically young India provides the basis for a long-term partnership between two key knowledge powers. My message is that India is an open economy as well as an open society, one capable and confident of closely engaging the world.

I believe that these last two days, the groundwork has been laid for a new relationship. I saw a different level of interest in India on the part of the President himself, key members of the Administration and among members of the US Congress, to whom I had the honour of delivering an address this morning. I saw as well that the corporate sector in the United States is looking at India very much more positively. This is reflected in the enthusiasm of the CEOs who have joined the bilateral forum that the President and I inaugurated yesterday. Initiatives and understandings that emerge from this visit should contribute to the long-term strength and competitiveness of India. For me, this visit represents an important step in our journey towards reform and modernization that began in 1991.

Our challenge in India is to meet the rising aspirations of the upwardly mobile while simultaneously addressing the basic needs of those who are still vulnerable. We are committed to take determined measures to get rid of poverty, ignorance and disease which still afflict large section of our population. These are not choices, but two faces of the challenge of taking India forward. In the past, our ties with the United States have benefited India greatly. We seek now to build on that tradition while forging a new partnership. Obviously, with the passage of time, the terms of agreement are bound to change. Renewed cooperation in agricultural research, a focus on promoting agri-business, supporting innovative technologies, expanding educational networking, and building frontier science capabilities are all steps designed at giving our ties a contemporary relevance. Our two countries can cooperate to use the advances in modern science and technology to accelerate the pace of social and economic development. Our capability to partner the US on addressing global challenges has also increased and strengthening democratic capacities, addressing the HIV/AIDS challenge and responding to natural disasters are among our shared goals.

Our track record, even within the last year, clearly conveys a

determination to raise the quality and scope of our cooperation. We have completed the Next Steps in Strategic Partnership, established Energy and Economic Dialogues, put in place an IPR regime and investment policies that encourage business, addressed the Dabhol problem, concluded an Open Skies Agreement with the USA, expanded our defence cooperation with a new framework, and worked closely on tsunami relief. These achievements give us the confidence to now tackle the more ambitious agenda that we have before us.

The role of the Indian community and Indian-Americans in this transformation process is vital. It is your creativity, knowledge, entrepreneurship and work ethic that has helped to greatly transform the image of India in American minds. No community in American history has achieved as much success in as short a time span as Indian-Americans. From a bridge between our two societies, you could become a veritable highway for the flow of ideas, technology and capital. You embody the knowledge partnership between us, whose broadening will surely make Indo-US ties one of the principal relationships of the world.

I thank you for all that you have done, individually and together, for India. Your support and your talents are necessary for our continued progress. I believe that the 21st century will be a global one, belonging to global citizens. It will be a century of freedom, of democracy, of multi-culturalism and of knowledge. These are the very values you represent, values that we admire. Through your commitment and efforts, India and the Indo-US partnership will grow together.”



515. Remarks by Prime Minister Dr. Manmohan Singh at Newsmakers Luncheon at the National Press Club.

Washington (D.C), July 20, 2005.

Ladies and Gentlemen of the media,

I am delighted to join you this afternoon. I thank you for this invitation to share my thoughts on India's hopes, aspirations, and the challenges we face. I would also like to share with you my perceptions of a very significant visit to the United States. My discussions with President Bush, his senior colleagues and with members of the US Congress have convinced me that on the journey we have embarked upon towards a future of hope for our people, America would be both a friend and a partner.

India is today poised for a leap into a brave new world. A sustained growth rate of over 6% for the last 15 years - now reaching 7-8% - is fundamentally transforming our society. Its social consequences are visible in rising income levels, growing expectations and in rising demand for quality products and services. This transformation has unleashed a powerful surge of entrepreneurship, creativity and a desire for excellence. Our growing involvement with the global economy and society, expanding foreign trade, reputation for services and activities of our world-class firms are one facet of this change.

We strive to address the needs of every citizen, ensuring their education and well being, and giving them a decent livelihood. On every score, their demands rise as each year's achievements become the benchmark for the next. Basic needs of all have to be met even as more ambitious hopes of the aspiring are realized. Sustaining growth impulses has to be accompanied by policies aimed at ensuring that change is inclusive and benefits of development are available to all.

In the past, our ties with the United States have benefited India greatly. We seek now to build on that tradition while forging a new partnership. This new partnership is focused on greater business-to-business interaction, cooperation in energy, in agricultural research and agri-business, in new technologies, in educational networking, and in building frontier science capabilities. Much of my discussion with President Bush was

devoted to what the India-US relationship had to offer in the fields of infrastructure and energy.

I believe that American interests are well served by a stronger and more modern Indian economy. Many of the initiatives that we announced – on agricultural research, on nano-science or on innovative technologies – reflect this belief. I am convinced that steps that we have taken will lead to a long-term partnership between India and the U.S.

Access to energy resources is an issue of particular importance to our relationship and our newly constituted Energy Dialogue is focused on it. Our current dependence on hydrocarbons will have to be diversified in favour of a broader energy mix. I discussed with the President prospects for the resumption of our cooperation on civilian nuclear energy. The United States, I believe, is not only cognisant of our energy requirements but appreciative of the role that India can also play in strengthening global non-proliferation efforts.

The uniqueness of Indian growth is that it takes place entirely within a democratic framework. This has demonstrative implications. The success of India will be proof that growth need not come at the cost of human freedoms. At the same time, its intrinsic stability and consensual basis will make themselves fully felt in long-term partnerships.

Our track record on cooperation, even within the last year, clearly conveys a determination to raise its quality and scope. We have completed the Next Steps in Strategic Partnership, established Energy and Economic Dialogues, put in place an IPR regime and investment policies that encourage business, addressed the Dabhol problem, concluded an Open Skies Agreement with the USA, expanded our defence cooperation with a new framework, and worked closely on tsunami relief. These achievements give us the confidence to now tackle the more ambitious agenda that we have before us.

India has consistently sought to ensure that global institutions and agreements are perceived to be fair and equitable. At a time when global challenges like terrorism, WMD proliferation, environment or health, have become more complex, it is vital that global mechanisms have the necessary capability and credibility to respond. The United Nations is at the centre of such efforts and its reform is currently being debated. By any criteria, India

has a strong case to become a permanent member of the Security Council. I hope that my visit can contribute to a better appreciation in the United States of the benefits of including a democratic India in global decision-making.

Terrorism poses a complex threat to open societies and pluralist democracies. For we doubly challenge it, with our freedoms and our tolerance of diversity. India is one of the oldest victims of modern terrorism. Experience that we would have rather not had, has taught us valuable lessons. A key conclusion is that there can be no compromise with those who resort to terrorism. Terrorism anywhere is a threat to democracy everywhere. We see the United States as an important partner in combating global terrorism.

India-US relations are based today on shared values and shared interests. We have a broad-based and ambitious agenda that we seek to realize. It is one based on a vision of the world, in which our societies work together to advance freedoms, creativity, prosperity and security. Mechanisms to accomplish these objectives include a range of initiatives and dialogues, some bilateral, others involving the global community. Our goal is to make India-US ties one of the principal relationships of the world.

In conclusion, I must convey my sincere appreciation of President Bush, of the US Administration, the US Congress and the people of this great country, for the warmth of your hospitality. President Bush's deep understanding of our hopes and aspirations and of our contribution to global peace, security and development encourages me to think that we can today work more closely together.

I thank you for giving me this opportunity to share these thoughts with you.



516. Remarks by Prime Minister Dr. Manmohan Singh at briefing for journalists accompanying him to the USA.

Washington (D.C), July 20, 2005.

My message during this visit to the US has been simple and substantial. The government and people of India are ready and willing for substantive engagement with the United States; there are enough commonalities and shared concerns which should have ensured such engagement earlier. The absence of such an ongoing engagement has been a gap that both sides should try to fill; we on our part are doing everything we can in that direction.

This is a message you have heard from me repeatedly over the last couple of days. I have focused on this in my meetings with President Bush, Vice President Cheney and members of the President's Cabinet — Secretary Rice, Secretary Rumsfeld and Secretary Snow.

I have spoken about this in my address to the Joint Session of the US Congress yesterday, and in my meetings with senior Senators and Congressmen, whom I met in groups and individually yesterday.

In my meeting with President Bush, about which you have been briefed, I emphasized the scope for cooperation — bilateral and global — across the broadest spectrum of themes and issues. Some of these are reflected in the Joint Statement that issued after the meeting. The road map for cooperation has been set out in this Statement.

My discussions with President Bush covered the issue of cooperation in the field of civilian nuclear energy. We reached agreement on ways and means of how both countries would proceed in this area, which has been reflected in the Joint Statement. Both countries have agreed on reciprocal commitments, which will be addressed in a phased manner. I believe that this agreement provides a way forward for India to break out of its present isolation and expand international cooperation, enabling us to enhance the contribution of nuclear energy in meeting our future energy needs. At the same time it does not in any way, lead to a diminution of our strategic nuclear capabilities, which could affect our national security interests. A carefully selected working group will determine how best to progress matters

reflected in the Joint Statement.

The sizeable and influential community of people of Indian origin in the US has also helped change the way we see the US and the US sees us. They exemplify some of our best talents and areas of strength. India's emergence as an IT leader, our desire to go beyond that to transform ourselves into a knowledge economy and our unique strengths in terms of professional skills and expertise of a high order, in virtually every sector of activity are reflected in the Indian community in the US very vividly. I admire Indian communities overseas for the manner in which they keep alive their ties with the mother country, while being good public-spirited citizens of their new chosen homes. I met the Indian community here yesterday and have asked them to support us in the endeavour to bring India and the US closer, and to participate in our efforts at home to create a better life for our people.

This brings me to another theme on which I have focused during my visit here. We are doing everything we can at home to accelerate our pace of economic growth so that we can lift our citizens who are mired in poverty out of this condition and ensure for them a decent livelihood. In this endeavour, foreign capital has a critical role to play. I have sought to sensitise the US of the many opportunities that India offers as an investment destination. The infusion of technology and capital from the US would help generate a higher rate of growth.

It is reflective of the diversity and expanse of India-US relations that several important things have happened on the margins of my visit. An India-US CEOs Forum has been set up which brings together the leaders of Indian industry with their US counterparts. They have met briefly and will do so again. We hope they will generate fresh ideas that we as a government can implement to enhance economic and commercial interaction between our countries. We recognize this effort has to be driven by the private sector and we hope the CEOs Forum will give this the impetus required.

I still have engagements ahead of me today. I shall be going to the National Press Club shortly. I did want to meet you before that.



517. Fact Sheet on MoU between Department of Science and Technology, Department of Space and US Universities on E-Learning.

Washington (D.C), July 20, 2005.

During the US visit of the Indian Prime Minister Dr. Manmohan Singh, a Memorandum of Understanding is stated for conclusion on July 20, 2005, between Indian Department of Space, Department of Science and Technology (DST), Amrita Vishwa Vidyapeetham (Amrita University) and the following US Universities - The University of California, at Berkeley and San Diego, Carnegie-Mellon University, Pittsburgh, The University at Buffalo, New York, Stanford University, California & Research Centers: California Institute for Telecommunications and Information Technology, (Cal-IT2), Center for Information Technology Research in the Interest of Society (CITRIS) & Corporate Partners: Microsoft Corporation and Qualcomm Incorporated.

This agreement would offer Indo-US cooperation on e-learning to enhance technical education in India. In cooperation with US Universities as Resource Partners. The Resource Partners would encourage their faculty to participate in this programme and allow them to share their teaching material with the Indian counterparts. The Indian Space Research Organisation (ISRO) would provide the necessary transponder capacity and bandwidth on their satellite EDUSAT that is already dedicated to education. ISRO will also provide VSAT Hubs/teaching-end infrastructure and establish the ground infrastructure at participating educational institutions. Initially, around 25 selected educational institutions are expected to participate in the programme. The Technology Information Forecasting and Assessment Council (TIFAC), an autonomous body under the Department of Science & Technology, will enable the creation of e-learning contents, capture them in multimedia rich course material and archive them for continued use. The Indo-US S&T Forum will facilitate implementation of this initiative. Microsoft India has committed to defray the expenses of visiting faculty from the US institutions.

The proposed program holds great promise of taking advantage of the tremendous synergy between the United States and India, and makes it possible to build a truly ambitious education system in advanced technology

areas. The program exploits efficient digital connectivity through satellite and interactive technologies developed by ISRO and Amrita University with a view to further enhance academic standard in educational institutions. The program also ensures quick and simultaneous delivery of lecture sessions to undergraduate (BS, B.Tech, B.E.) and postgraduate (MS, M.Tech, M.E. -and Ph.D.) level college and university students and for teachers training all over India using the ISRO's Satellite network, and the eLearning facilities at Amrita University. It also provides access to subject experts and repeatability of delivery of lectures from the archives. All the parties have agreed to work together for effectively imparting quality education and research covering the disciplines of Computer Science & Engineering, Information and Communication Technologies, Electronics & Communication, Manufacturing, Biotechnology and Bioinformaticg, Healthcare, etc.



518. Statement by Prime Minister Dr. Manmohan Singh in Parliament on his visit to the United States.

New Delhi, July 29, 2005.

I am pleased to present to this House a statement on my recent visit to the United States. President Bush invited me to pay an official visit and my wife and I were received by President Bush and the First Lady Mrs. Laura Bush with great warmth and with full ceremonial honours. My talks with the President covered a wide range of bilateral and global issues. The Vice President and senior Cabinet members of the US Administration such as Secretary of State, Dr. Condoleezza Rice, Defence Secretary, Mr. Rumsfeld and Treasury Secretary, Mr. Snow also called on me during my stay. I had the honour to be invited to address the Joint Session of the US Congress. I believe that the visit was a success in furthering our foreign policy interests and in terms of its substantive outcome. It was evident that the United States wished to signal that we are embarking on a transformation of our ties so as to realise their inherent potential. A copy of the Joint Statement issued during my visit is placed on the Table of the House.

The purpose of my visit was to sensitise the US Government about

the full extent of the changes that have taken place in India since 1991. These changes have given us a stronger capability to work with the United States on more equal terms as we address common concerns and challenges. I also sought to emphasise that the Indian economy is stronger than it has ever been and we hope to participate in and benefit from the economic processes of globalisation. We are determined to be a competitive destination for investment, including foreign investment and the US business community could contribute to development in India through greater investment and trade. We are uniquely placed to enter into such mutually beneficial interaction drawing on the strength of our knowledge sector. Hence another important goal was to underline to the US that the emergence of India as a centre of knowledge based industries and services would provide a good basis for long-term collaboration between our economies. The expansion of the Indian economy and acceleration of our growth rates is crucial not just for our own people but would be beneficial to global economic progress and stability.

My discussions in Washington with President Bush and members of his Administration were productive and helped advance these national goals. Both sides agreed that our relationship was based on shared values and shared interests that included the strengthening of democratic capacities where desired and without coercion, and in combating terrorism without selective or segmentation. The conclusion of the UN Comprehensive Convention on International Terrorism proposed by India, at an early date, was deemed a priority by both countries. On the economic side, we welcomed the launching of a CEOs Forum that has brought together the best business minds of both countries. We discussed the urgent need for modernisation of India's infrastructure and our quest for greater investments in this sector, in view of its centrality for the continued growth of the Indian economy. Recognising the importance of the rural economy, we also agreed on an agricultural initiative aimed at facilitating a new generation of research and agricultural practices to build on the Green Revolution.

Appreciating the importance of technology to India's economic and social development we also discussed measures that would ensure more liberal and predictable access to US technology. We will endeavour to build closer ties in frontier areas such as space exploration, satellite navigation and launch, and related commercial activities that would greatly benefit our space industry, which is now recognised as a global leader. A Science and

Technology Framework Agreement has been agreed during my visit that provides for expanded joint research and training. Underlining the intent of working at a new level of cooperation, the United States announced the removal of five Indian organisations from its Entity List – three from the space sector and two from atomic energy – and indicated further review in this matter.

India's quest for energy security as an essential component of our vision for our development was a significant theme of my talks. I elaborated the imperative need for India to have unhindered access to all sources of energy, including nuclear energy, if we are to maintain and accelerate our rate of economic growth. I am pleased to state that the US understood our position in regard to our securing adequate and affordable energy supplies, from all sources. This approach, I underlined, would enable us to reduce our dependence on fossil fuels. This would have concomitant advantages for all in terms of reduced pressure on oil prices and environmental sustainability. It was in this context that we affirmed the importance of cooperation in the civilian nuclear energy sector.

Accordingly, a central element of my interaction with President Bush was the resumption of bilateral civilian nuclear cooperation between India and the United States, which has been frozen for decades. President Bush and I agreed that we would work towards promoting nuclear energy as a means for India to achieve energy security. The US side undertook to adjust its laws and policies domestically and to work with its friends and allies to adjust relevant international regimes. Full civilian nuclear energy cooperation would include, but not limit itself, to the expeditious consideration of fuel supplies for Tarapur. The US will also encourage other partners to consider similar requests favourably. We also obtained consideration of our desire to participate as full partners in the International Thermo Nuclear research Project and the Generation IV International Forum. These programmes in frontier areas of science and technology have considerable potential for our country's and indeed global energy security in the future. The US agreed to consult other participants with a view towards India's inclusion. This is a testimony not only to the enormous international stature and respect achieved by our nuclear scientists but recognition of their attainments.

Our nuclear programme in many ways, is unique. It encompasses the complete range of activities that characterise an advanced nuclear power

including generation of electricity, advanced research and development and our strategic programme. Our scientists have mastered the complete nuclear fuel cycle. The manner of the development of our programme which has been envisaged is predicated on our modest uranium resources and vast reserves of thorium. While the energy potential available in these resources is immense, we remain committed to the three-stage nuclear power programme, consisting of Pressurised Heavy Water Reactors (PHWRs) in the first stage, fast breeder reactors in the second stage and thorium reactors in the third stage. These would need sequential implementation in an integrated manner. Our scientists have done excellent work and we are progressing well on this programme as per the original vision outlined by Pandit Jawaharlal Nehru and Dr. Homi Bhabha. We will build on this precious heritage.

Energy is a crucial input to propel our economic growth. We have assessed our long-term energy resources and it is clear that nuclear power has to play an increasing role in our electricity generation plans. While our Indigenous nuclear power programme based on domestic resources and national technological capabilities would continue to grow, there is clearly an urgent necessity for us to enhance nuclear power production rapidly. Our desire is to attain energy security to enable us to leapfrog stages of economic development obtained at the least possible cost. For this purpose, it would be very useful if we can access nuclear fuel as well as nuclear reactors from the international market. Presently, this is not possible because of the nuclear technology restrictive regimes that operate around us. What we have now agreed with the United States should open up the possibility of our being able to access nuclear fuel and nuclear power reactors and other technologies from outside to supplement our domestic efforts. There is also considerable concern with regard to global climate change arising out of CO₂ emissions. Thus, we need to pursue clean energy technologies. Nuclear power is very important in this context as well.

The joint Statement recognises that as a responsible State with advanced nuclear technology, India should acquire the same benefits and advantages as other such States which have advanced nuclear technology. As a result we expect that the resumption of India's nuclear trade and commerce with the US and globally, is an achievable goal, involving the dismantling of the technology denial regimes which have hitherto targeted India.

Predicated on our obtaining the same benefits and advantages as other nuclear powers, is the understanding that we shall undertake the same responsibilities and obligations as such countries, including the United States. Concomitantly, we expect the same rights and benefits. Thus we have ensured the principle of non-discrimination. I would like to make it very clear that our commitments would be conditional upon, and reciprocal to, the US fulfilling its side of this understanding. The Joint Statement refers to our identifying, and separating civilian and military nuclear facilities in a phased manner and taking a decision to place voluntarily civilian nuclear facilities under IAEA safeguards. India will never accept discrimination. There is nothing in this Joint Statement that amounts to limiting or inhibiting our strategic nuclear weapons programme over which we will retain unrestricted, complete and autonomous control. I repeat there is nothing in this Joint Statement that amounts to limiting or inhibiting our strategic nuclear weapons programme over which we will retain unrestricted, complete and autonomous control.

Reciprocity is key to the implementation of all the steps enumerated in the Joint Statement. We expect a close co-relation between the actions to be taken by the United States and by India. Indian actions will be contingent at every stage on actions taken by the other side. Should we not be satisfied that our interests are fully secured, we shall not feel pressed to move ahead in a pre-determined manner.

Hence phased action, in terms of identification and separation of civilian nuclear facilities based solely on our own duly calibrated national decisions will be taken at appropriate points in time, consistent with our national security interests. Before voluntarily placing our civilian facilities under IAEA safeguards, we will ensure that all restrictions on India have been lifted. Our autonomy of decision-making will not be circumscribed in any manner whatsoever.

I wish to emphasise to this House that the basis for this understanding was a clear recognition that India is a responsible nuclear power with an impeccable record on nuclear non-proliferation. Our strategic policies and assets are a source of national security and will continue to be so, and will remain outside the scope of our discussions with any external interlocutors. I should like to take this opportunity to assure Hon'ble Members that the Government will not allow any fissile material shortages or any other material

limitations on our strategic programmes in order to meet current or future requirements. The defence and security interests of our country are our highest priority and will continue to remain so.

Our policies and actions have earned us global recognition and widespread esteem, which I am sure, the House recognises and welcomes. This allows us not only to make a credible case for an end to three decades of technology denial but also to find a central and growing place in international organisations.

I used the occasion of my visit to the US to spell out the basis on which India has made a compelling case for expansion of the UN Security Council and for our admission as a Permanent Member. The US has a different position on this matter and has not found it possible to endorse India's position. It is my hope that over time the US will recognize the validity of what we say. In fact, the Joint Statement itself reflects growing US recognition of this position. It states "international institutions must fully reflect changes in the global scenario that have taken place since 1945." The US President also reiterated that international institutions are going to have to adapt to reflect India's central and growing role. In this regard, global initiatives that we have initiated with the United States, which include disaster relief, HIV/AIDS and strengthening democratic capacities in societies that seek such assistance testify to the greater recognition of our strengths and capabilities.

I therefore believe my visit to the United States has led to greater understanding and appreciation of our concerns and interests. It has contributed to significant initiatives that have important economic and developmental implications for India. I have made a strong case on behalf of the Indian people that our voice be heard when decisions that affect us are made in global councils. I am confident that this House would welcome these developments.

I would like to conclude by stating that we can feel justly proud that our achievements are being recognized globally. This is a tribute to our scientists, engineers, teachers, workers, farmers, entrepreneurs and professionals. We are now a nation of over one billion people. We are the world's fourth largest economy, with the second highest rate of GDP growth today. The manner in which we have achieved this progress within the framework of a democratic dispensation is the subject of admiration and

respect. Increasingly, India is seen as a benchmark for the rest of the world. I therefore believe our strength lies in the essential correctness of the path we have chosen, and in the creativity and enterprise of our people. This has enabled India to stand tall in the comity of nations.

I realise that there would be criticism in some quarters regarding aspects of the Joint Statement. Constructive criticism is part of the Parliamentary tradition, and I welcome it. This adds clarity to our debates and vibrancy to the institution of our democracy. I can however assure this August House, and through it, our nation, that my visit to the United States was undertaken solely with the purpose of enhancing relations with one of the world's pre-eminent powers, so as to widen our developmental options. It was my endeavour to expand our access to energy supplies to fuel our growth, while protecting our strategic interests. I believe our effort to undo some of the long-standing restrictive nuclear regimes will enable us to secure access to the significantly greater quantities of energy that we will need to spur massive growth in our industrialisation programme. Once secured, cheap and affordable energy will enable India to leapfrog its current pace of economic growth, to secure the future for generations to come.

All of us gathered together in this August House recognize that inspired by our freedom struggle, we have inherited a proud and patriotic tradition. Our commitment to work for universal nuclear disarmament, so passionately espoused by Prime Minister Rajiv Gandhi, in the long run will remain our core concern. At the same time, I can assure the House that we have never made, nor will we ever make, any compromises insofar as our fundamental and strategic needs are concerned. Our inheritance gives us confidence, our experience gives us courage, and our belief gives us conviction to assert today that our nation stands on the threshold of an even better future. I therefore venture to think that my visit to the USA has opened up new opportunities and possibilities for promoting our energy security and pathways to accelerated social and economic development. We must all work together as a united nation to realise these opportunities to make India a major powerhouse of the evolving global economy.”



519. Press release of the Prime Minister's Office on the 'Backgrounder on India-U.S. Civilian Nuclear Energy Cooperation'.

New Delhi, July 29, 2005.

The Joint Statement reaffirms that India-U.S. relations are based on common values and interests. It amplifies the U.S. acknowledgement of India as a global power and closer relations and partnership between the two countries as being in the interest of both countries.

The core of the commitments made by both countries is predicated on building India-U.S. engagement and bilateral cooperation through multifaceted actions across an entire range of issues to promote India's economic growth and development, including infrastructure, energy, high technology and space, and agriculture.

This is continuation of a process commenced by high level interactions of successive governments in India and the United States. Prime Minister Vajpayee's visit to Washington DC in November 2001 and the NSSP unveiled by him on 13th January 2004 had identified civilian nuclear activities, civilian space programmes, and high technology trade as key areas of bilateral cooperation. Cooperation under NSSP was limited, however, to what was permissible under prevailing U.S. domestic law, policies and regulations, and obligations under international regimes. The U.S. Government has committed to adjusting all three dimensions to enable full cooperation with India in the nuclear energy sector.

The Joint Statement of 18th July marks the beginning of a new basis of cooperation in these areas, particularly full civil nuclear energy cooperation, unencumbered by the erstwhile technology denial regime. This is expression of intent that the United States has no desire to restrict progress in the peaceful uses of nuclear energy and that it wants to promote the full potential for cooperation.

Cooperation between the two countries will be pursued on the basis of reciprocity and non-discrimination. On nuclear cooperation, a working group will steer progress in ways that build on these two principles through a series of reciprocal steps that build on each other. This will be an evolving process.

India's Benefits: India was successful in persuading the US to embark on full civil nuclear energy cooperation, amending its domestic laws and policies while adjusting international regimes. This ends a policy of targeting Indian programmes that has been in place since 1974. We not only secured fuel for Tarapur and opened up the possibility of fuel supply for other safeguarded reactors, but also got the US to refrain from vetoing fuel supplies by other countries (Russia, France) as it had in the past. The US also agreed to consider Indian participation in the ITER fusion programme and the Generation-IV advanced reactors that represent frontier areas in nuclear technology. Our scientists will, as a result, no longer be denied opportunities in global nuclear research programmes. There is also an explicit recognition of India as 'a responsible state with advanced nuclear technology'.

India's Obligations: In return, India accepted the same responsibilities and practices as other states with advanced nuclear technology. These include identifying and separating civilian and military facilities in a phased manner, placing its civilian facilities under IAEA safeguards and signing an IAEA Additional Protocol. A number of existing policies were also reiterated by India, among them a unilateral moratorium on nuclear testing, working towards conclusion of a multilateral Fissile Material Cut-off Treaty, non-transfer of enrichment and reprocessing technologies, securing nuclear materials and technology through export control and harmonisation with MTCR and NSG guidelines.

Separation and Capping: Separation of civilian and military facilities has been undertaken by nuclear weapon states, each in its own way. They have gone on to also declare to differing extent their civilian facilities to IAEA. In the case of US alone, the number of such facilities exceeds to 200. The identification and separation of Indian facilities would be done by the Government of India. National security considerations would dictate this. Some quarters have sought to portray the separation as leading to a capping of our strategic programmes. This is completely untrue. It is entirely for India to decide which facilities are of military significance. These will remain outside the purview of international inspections and scrutiny. The size of our deterrent will be determined in accordance with our own assessment of our security interests and this will be appropriately reflected in identification of military facilities.

Flexibility: An argument has been made that separation into civilian and military programmes will rob India of flexibility if that is required by

unanticipated circumstances. Nuclear weapon states, including the US, have the right to shift facilities from civilian category to military and there is no reason why this should not apply to India. This also addresses possible concerns on capping.

Reciprocity: The Joint Statement clearly states that India's commitment is reciprocal. If the United States does not fulfil its obligations, there is no pressure on India to do so either. Therefore, there may be no apprehension that India would be bound by the understanding even if the US side cannot deliver on its part. Moreover, India's obligation to undertake separation is qualified as being conducted in a phased manner. That would allow adequate verification of action taken on the US side before India takes reciprocal measures.

Additional Protocol: This is actually more relevant to non-nuclear weapon states undertaking clandestine programmes than to declared weapon states. All five NPT nuclear weapon states have signed the Additional Protocol and three of them (China, France and UK) have allowed it to come into force. We have only agreed to an additional protocol and, therefore, there need not be anxieties about its impact on India. It may also be noted that such Protocols are negotiated by the nuclear weapon states with IAEA and include specific provisions reflecting the national characteristics of the programme.

Fissile Material Cut-off: The Joint Statement reiterates the existing policy of working towards a multilateral Fissile Material Cut-off Treaty. There is no commitment at all to cease production of fissile material ahead of the conclusion of such a multilateral treaty.

The agreement reached during PM's visit promises to put an end to three decades of nuclear technology denial to India. It could provide us nuclear fuel that is necessary if we are to expand our civilian nuclear programmes. A major expansion in civilian nuclear power will be facilitated through international cooperation. The framework for such cooperation has been agreed to in the Joint Statement. India has accepted responsibilities in a strictly non-discriminatory manner (i.e. the same as other nuclear weapon states). Our strategic programmes have been fully protected while evolving a new arrangement. This has been done in a risk free manner and if US fails to deliver, India too has every right to refrain from implementing its obligations. In the past, India faced pressure on its strategic programmes

as a pre-condition for international cooperation on civilian nuclear energy. On this occasion, we have achieved our goals without any dilution of commitment to the strategic programmes. This sets the stage for a significant growth in our civilian nuclear energy sector that would address our acute energy shortage and provide the basis for accelerated Indian economic growth rate.

Question and Answer on the India-US Joint Statement.

Question : What is the significance of the agreement between India and the United States for civilian nuclear energy cooperation as reflected in the Joint Statement?

Answer : The Joint Statement reflects the preparedness, on the part of the U.S. Government, to begin a process of dismantling the restrictive technology denial regime that restricted India's access to nuclear technology and materials for India not having joined the Nuclear Non-proliferation Treaty. The United States has committed to take certain steps, nationally and internationally, working with Congress and together with its allies, to remove restrictions imposed on our access to civilian nuclear technology, equipment and materials. India, in turn, has committed to taking reciprocally exactly the same steps that other nuclear weapon States have taken.

Question : Does the commitments made by the United States amount to recognition of India as a nuclear weapon State?

Answer : The agreement between India and the United States is not about nuclear weapon status. The steps that the two countries have reciprocally agreed to take should be seen as essential steps for broadening our cooperation in civilian nuclear sector. We look upon this agreement as a recognition of India's accomplishments in the peaceful uses of atomic energy.

Question : Why can the United States not commence civilian nuclear energy cooperation with India immediately?

Answer : U.S. domestic laws and the commitments that it has undertaken as part of its membership of Nuclear Suppliers Group restrict such cooperation at this stage. However, the U.S. Government has committed itself, at the highest level, to work to achieve full civil nuclear energy cooperation with India, taking into account India's growing energy requirements, the impact of Indian energy needs on global environment in

case it is mostly dependent on fossil fuels, the crucial role consequently of nuclear energy in our desired energy mix, the advanced state of India's capabilities in the nuclear sector, India's responsible behaviour and its impeccable anti-proliferation record.

Question : How will the understanding reached by the two countries be implemented?

Answer : The actions to be undertaken by the United States and India are clearly enumerated in the Joint Statement, which both sides are committed to implement as soon as possible. These will be strictly reciprocal. India will implement its steps in phases.

Question : What were the specific impediments to such cooperation on the part of the United States?

Answer : The U.S. Atomic Energy Act (AEA) of 1954, as amended by the Nuclear Non-Proliferation Act (NNPA) of 1978 categorises India as a non-nuclear weapons state (NNWS) and, hence, subject to full scope safeguards. Similarly, NSG guidelines specify that nuclear reactors and material can be supplied to non-nuclear weapons States, defined under NPT, only under full scope safeguards. For full civil nuclear energy cooperation, involving transfers of nuclear equipment, technology and materials, an India-U.S. agreement on nuclear cooperation (like the agreement of 1963) and modifications to NSG guidelines, are required. President Bush has committed to seek agreement from the U.S. Congress to adjust U.S. laws and policies, as also to work towards adjusting international regimes, in this regard.

Question : What was the basis of India-U.S. cooperation on civilian nuclear energy cooperation in the past?

Answer : India and the United States had signed an agreement on Civil Uses of Atomic Energy on August 8, 1963 in Washington DC and the agreement entered into force for a period of 30 years on October 25, 1963. The Tarapur Atomic Power Station was set up as a result of U.S. assistance. After the nuclear test in 1974, differences cropped up and eventually the U.S. withdrew from the agreement.

Question : Has India remained under a U.S.-inspired technology denial

regime? How much progress on civilian nuclear energy cooperation been made in recent years?

Answer : Economic, defence and technology-related sanctions imposed on India following the nuclear weapon tests in May 1998 were lifted in September 2001. However, certain long standing restrictive policies on transfer of sensitive nuclear and missile technologies to India remain in place. The U.S. side also maintains the so-called Entity List, which places the organisation listed therein to tighter export controls. Although the Entity List has been pruned down from 159 organisations, it still remains in double digits (they include Department of Atomic Energy's BARC; Indira Gandhi Atomic research Centre; Indian Rare Earth; all nuclear facilities, Bharat Dynamics Limited and DRDO's Solid State Physics Laboratory). A number of Indian organisations have been taken off the Entity List since 18th July 2005 and India believes that the remaining organisations should also be removed from that list expeditiously. There was some progress on civilian nuclear energy cooperation since the lifting of sanctions in September 2001. India and the United States initiated five safety related projects for safeguarded nuclear facilities. Exchange of visits by U.S. and Indian nuclear regulatory officials also commenced. The United States conveyed in November 2002 that it would follow a policy of favourable consideration for export of unilaterally controlled 'balance of plants' equipment and components (the non-nuclear cycle) for safeguarded nuclear facilities. The United States offered consultations, training and certain components required for personnel and environment protection against radiation for safeguarded nuclear reactions. It also offered India's membership of the Nuclear Regulatory Commission research groups developing accident analysis software. We hope to make significant progress in this area through modification in existing U.S. regulations, in the spirit of the new relationship and the shared commitment to qualitatively transform bilateral relations.

Question : How can Government describe the commitments in Joint Statement as 'significant'?

Answer : The commitments are significant because they demonstrate U.S. willingness to move away from highly restrictive policies put in place after the nuclear tests, going all the way back to 1974, and seek ways to meet India's requirements of developing civilian nuclear sector. It has also committed to work with its friends and allies to adjust the international regime.

Question : Has the United States pressed India to make compromises on its nuclear and missile programmes in order to make progress on civilian nuclear energy cooperation?? Has India undermined its nuclear deterrent? Is this a backdoor to push India towards signing the NPT?

Answer : The issue of India's nuclear weapons or NPT has not been raised in our dialogue with the United States. Our dialogue is predicated on India maintaining its strategic programme. Our nuclear deterrent cannot be subject of negotiations with foreign governments and is strictly within our sovereign domain. India has rejected demands for joining the NPT as a non-nuclear weapon State. However, India has always remained committed to the non-proliferation and disarmament objectives of the treaty. Our record on non-proliferation is impeccable and development of our nuclear-weapon capability has not diminished our commitment to non-discriminatory global disarmament.

Question : What other conditions have the U.S. Government imposed on India?

Answer : There are no conditions on either side. Understandings have been clearly spelt out in the joint statement. We have agreed to clearly articulated reciprocal steps. We believe progress on civilian nuclear cooperation stands on its own merit in the context of the shared desire of the two countries to transform bilateral relations and develop a long-term and closer partnership.

Question : Will such cooperation adversely affect India's nuclear deterrent?

Answer : Cooperation in the sectors of civilian nuclear energy and outer space between India and the United States is predicated on India maintaining its indigenous nuclear and missile programmes and the commitments made by India will have no impact whatsoever on our minimum credible nuclear deterrent.

Question : Does India have to take specific steps before the United States makes any moves?

Answer : The Joint Statement talks about steps to be taken reciprocally. These steps will build on each other. These steps will be discussed in the Working Group.

Question : The U.S. offer is vague and seems on a best-endeavour basis,

while India's commitments are cast in iron. Isn't there an imbalance between the obligations assumed?

Answer : The public affirmation by the U.S. President of its commitments has the same status as the commitment by India to take certain reciprocal steps. India's nuclear policy is one of restraint, responsibility and defensive orientation and India has assumed the same obligations as the other nuclear weapon States. These obligations are in conformity with our long-standing policy on non-proliferation of nuclear weapons, related materials, equipment and technology and the means of their delivery. Nuclear energy is to play a critical role in ensuring our energy security, and the United States, recognizing the importance of nuclear energy in meeting our energy demands, has committed to certain steps in order to step-up cooperation in the civilian nuclear sector by working to lift restrictions faced by India within the domestic US law and international export control regime like NSG.

Question : Since the military programme in India is only a small part of the overall nuclear programme, will not the separation of the civilian and military facilities increase costs for India?

Answer : There is no question of any increased or infructuous expenditure since a military facility can also continue to do civilian work, as indeed is the case in the nuclear weapon States. While no weapons related work can be carried out in a civilian facility, there is no bar whatsoever on civilian work being done in a military facility.

Question : Will the separation of civilian and military facilities not imply that India will open all its nuclear reactors to inspection, including challenge inspection, or anytime-anywhere inspection that is part of the Model Additional Protocol?

Answer : India will not accede to full-scope safeguards. IAEA safeguards shall apply to facilities to be designated by India voluntarily. India will also negotiate an Additional Protocol with IAEA applicable to the designated civilian facilities. In this respect there will be no discrimination between India and other Nuclear Weapon States.

Question : Does the separation of military and civilian nuclear facilities not automatically create a cap on India's fissile material production?

Answer : No. The designation of civilian facilities will be based on our

assessment and decision and it will take into account the requirements of maintaining a credible minimum deterrent to fully safeguard our security interests. We will ensure that there will be no shortage of fissile materials for our strategic programmes.

Question : By agreeing to work with the United States on a Fissile Material Cut-Off Treaty, are we still not accepting a cap on our fissile material production?

Answer : India has a long-standing commitment to negotiating multilateral FMCT in the Conference on Disarmament in Geneva and the joint statement just reflects that commitment. We have not accepted any unilateral moratorium on fissile material production before FMCT is negotiated and enters into force for all countries.

Question : How will the agreement with the United States help in nuclear cooperation with other countries?

Answer : President Bush has promised to work with the friends and allies of the United States to adjust international regimes to enable full civil nuclear energy cooperation and trade with India. The removal of the restrictions currently imposed by NSG will enable India to obtain nuclear technology, material and equipment for civilian nuclear sector internationally. Restrictions on India will be fully removed. India will join a select group of countries possessing such advanced research capabilities¹.



1. The same day Prime Minister told the Congress Working Committee, the ruling party's top most policy body that the country's security concerns or decision-making was not compromised during his discussions with President Bush. He told the Committee that the basic objective of his U.S visit was to sensitize the Bush Administration and public opinion through his address to the U.S Congress and the media and interaction with officials, the changes taking place in India and the development of the economy since 1991. Briefing media a Spokesperson for the Congress Working Committee said the Prime Minister told the Committee that one of the high points of his visit was the accent on combating terrorism. Also, the early conclusion of the UN Comprehensive Convention on International Terrorism, proposed by India, was deemed a priority by both countries. Another aspect was India's quest for energy security and the U.S administration's recognition that it was an important component for country's development. On civilian nuclear energy, he said it was an integral part of the discussions with President Bush. Dr. Singh said that the country's dependence on fossil fuels would come down and nuclear fuel could be used for power generation. The Joint Statement recognized that as a responsible state with advanced nuclear technology, India should get the same benefits and advantages as other such states.

520. Statement of Defence Minister Pranab Mukherjee in the Rajya Sabha on the “New Framework for the U.S – India Defence Relationship”.

New Delhi, August 2, 2005.

I made an official visit to the United States of America (USA) recently at the end of June 2005 at the invitation of the US Secretary of Defence. The visit provided an opportunity for an exchange of views with the US leadership on international security issues and to promote cooperation with the US to strengthen and modernize our armed forces and our defence industries through increased professional interaction in the military sphere and collaboration in the sphere of defence equipment and technology in the mutual interest of both countries. A document entitled ‘New Framework for the US-India Defence Relationship’ was signed during the visit. The ‘Framework’ contains only enabling provisions. It does not contain any commitments or obligations.

The ‘Framework’ updates the ‘Agreed Minutes on Defence Relations between India and the United States’ signed in January 1995. It identifies global security threats that have seriously affected our security, such as Terrorism and violent religious extremism, and the proliferation of weapons of mass destruction (WMD) and related materials, data and technologies as areas of shared concern, and provides for cooperation with the US to enhance our capabilities in responding to these and prospects of cooperation in advanced and sensitive technologies and other challenges like natural disasters. It reflects our interest in the security of the sea-lanes and regional and global security and stability. It establishes a new Defence Procurement and Production Group under the existing Defence Policy Group to promote a defence trade, production and technology relationship with the US. It also provides for a dialogue on international security issues, and cooperation with the international community to promote regional and global stability through cooperative actions in the mutual interest.

The visit builds on ongoing efforts to expand cooperation with the US in the field of high technology by opening up the US as a potential source of advanced defence equipment and technology, increasing our options and leverage vis-a-vis suppliers in the acquisition of defence technology, promoting cooperation with the US to enhance the capabilities

of India's Armed forces and defence industries, and increasing our strategic maneuverability in international affairs.

The 'Framework' document should be seen in this context. Concerns expressed in Parliament and in the press on the implications of the document have included apprehensions that it commits India to deploying troops in support of US-led coalition operations in Iraq and possibly elsewhere; that it adopts vocabulary and language, and therefore the world view, of the United States; and that it promotes US security interests and not ours, and therefore compromises our security. None of these apprehensions are justified. The document, more than anything else, signals US willingness to enhance defence cooperation with India and strengthen our defence capabilities. It is in our interest to see how we can exploit this change of attitude to our advantage. It is an enabling document that provides a framework within which specific cooperation can take place. It is up to us how we develop this. This will not be dictated to us. It will be decided by mutual agreement.

The presumption that "shared" interests involving the US must necessarily mean primacy to US interests, reflects a lack of self-confidence in ourselves. As a trustee of the legacy of independence, secularism, non alignment and autonomy and independence on our domestic and foreign policies, we have the self-confidence that we will be able to recognize and resist anything that is not in our national interest, not confuse US interests with ours, or subordinate our interests to US interests.



521. Speech of Prime Minister Dr. Manmohan Singh in reply to the Lok Sabha debate on his US visit.

New Delhi, August 3, 2005.

This visit to the United States was in some way the most challenging task that I faced. Therefore, it was for me a great privilege to represent India in talking to the various dignitaries right from President Bush downwards. The foreign policy of our country, ever since we became an independent nation, has been designed to promote our enlightened national interest. Two types of comments have been made on what we have done in this visit. There is one set of comments from our Left colleagues, whose comments I greatly value and respect, that we are continuing the same policies as of the previous Government of getting closer and closer to the United States. There is however, another stream coming from the benches opposite that somehow we have compromised India's strategic nuclear autonomy.

We want to move towards a multi-polar world. So, the practical strategies have to lay emphasis on building the economic strength and cohesion of our country. If India grows in the next ten years at the rate of eight to ten percent per annum, then we will probably become the third or the fourth economy in the world and the world will respect us. That is not something going to happen overnight. Step by step we have to move in that direction and relations with the United States are of great importance in achieving that objective. Of course, in doing so, we must not compromise on our national honour, on our national interest. Therefore, I wish to dispel this illusion are part of any military alliance and we are not ganging up against any other country.

What we are seeking is that we need an international environment which is supportive of our development efforts. In the world that we live in, no nation today can prosper independently. And, right or wrong, the United States influences that international environment. I would like to mention that before going to the United States I had the honour of meeting Leaders of the Opposition, Shri Atal Bihari Vajpayee, Shri L. K. Advani and Shri Jaswant Singh. I had the privilege of explaining to them what I would seek to achieve. I also briefed our colleagues of the Left parties.

My objective was, acquire for India a larger space to achieve our

national goals, to do specifically two things. Firstly, never to compromise our autonomy in the management of India's nuclear programme, and secondly, I had to recognize, that India's nuclear power programme had lagged behind. Energy security is the key to India's emergence as a strong and powerful nation in the years to come. Therefore, in our quest for energy security, we must widen the options that are open to us and nuclear energy is one such option. Therefore, before going to the US, I said to myself that on the one hand we should do nothing to surrender our strategic autonomy in the management of our strategic assets. On the other hand, we should find an honourable way to persuade the United States to lift this nuclear blockade.

I am glad to say that we have succeeded in achieving that objective. But, a question has been raised by Shri Atalji. He said "You are going to separate the civilian and the nuclear components of our Atomic Energy programme. I am not a nuclear scientist but I have the advice of our nuclear establishment, and the Chairman of the Atomic Energy Commission was a part of my delegation. After coming back, I talked to a large number of other nuclear scientists and other scientists and I am convinced that what we have done is in the best interest of our country. We will not do anything unless the United States side honours its commitment. My own vision is that the next 15-20 years we should add about 30,000-40,000 megawatts of nuclear capacities. I have a vision that will open up new vistas of opportunity in the field of high technology. If we have a large nuclear power programme and it will grow a very large number of hi-tech firms which would enable us to leapfrog in the race for social and economic development.

Atalji also asked this question about the negotiation of Fissile Material Production Cut-off Treaty. In this case, I should like to point out that we have taken on no more additional commitments than the commitments that were taken by the previous Government. We have said that we would work with the USA in the negotiations of a multilateral agreement. It will take quite some time and in any case if the stage comes to take a decision, we will never be a party to any discriminatory treatment. I should also like to assure this House that we will not allow our research programme to suffer in any way in the process of separation of the civilian and the nuclear programme. Atalji asked that we have not been given the status of a nuclear weapon State. It is true. Because, in the international parlance, the nuclear weapon States are the ones which are identified in the NPT Treaty. We are

not a party to that Treaty. Let us face it. What we have done with the United States is that we have virtually got all the benefits that go with being a nuclear weapon State. I think that is something which is of comfort to us. We have been wanting more Uranium for our nuclear plants. I think the fuel's question for our reactors would be a thing of the past. Atal ji also asked this question. We have not been recognized as a nuclear weapon state. I think, if we reads the Statement carefully, we have got enough better treatment.

I believe that I have tackled both sets of comments. There were some questions raised with regard to the role of agriculture. In fact, the first thing that I said to my officials before going to Washington is, 'Is there anything that we can do jointly with the United States to promote food security and agricultural security in our country? We have opened up a new era of research cooperation in the field of agriculture. There is nothing in this Joint Statement which says that we will open up our borders to an unlimited flow of American goods. Those issues will be dealt with separately in the WTO. Preserving the livelihood strategies of our farmers is our utmost concern, and we will do nothing which compromises the livelihood security of India's farmers. Questions were raised about the membership of the Security Council. It is certainly true that the United States has a different viewpoint, but I think when the time comes, I have reasons to believe India's claim can no longer be ignored.

The other thing that was raised was the question of the Iran-Pakistan-India pipeline. On this point, I have been quite clear. I had explicitly stated that this is a matter for us, Pakistan and Iran, the United States has no role in it. Therefore, I can say with conviction that I stood by what our national policies are, and I believe, that , by and large, I have carried out the mandate that was given to me.



522. Speech of Prime Minister Dr. Manmohan Singh in the Rajya Sabha on his visit to the United States of America.

New Delhi, August 4, 2005.

Sir, before I go and analyse the various issues that have emerged in the debate, I would like to submit to this House that one particular charge that Shrimati Sushma Swaraj levied against our Government of not consulting the relevant fora is simply not true.

Before I went to the United States, I had the privilege of inviting Shri Atal Behari Vajpayee, Shri L.K. Advani and Shri Jaswant Singh, and I laid before them what objectives I had. I had clearly mentioned to them my objective in this visit as far as the nuclear policy is concerned — to preserve and maintain our independence and autonomy in the management of strategic assets and, at the same time, open up new pathways to cooperation, to enhance India's energy security. Jaswant Singhji would recall in that discussion that there was a discussion about the management of nuclear power programme. We agreed that India's nuclear power programme was facing difficulties, not because our scientists lacked expertise, but because of the inequitable restrictive regime that various powers had adopted, to deny India access to technologies and other associated facilities, which would enable us to leapfrog in the race for social and economic development, so that we can accelerate the tempo of social and economic change and get rid of chronic poverty, which still afflicts millions and millions of our people.

Sir, I had mentioned to Hon. Atalji, Advaniji and Jaswant Singhji precisely the framework which I followed while I was in Washington. I was also privileged to have the benefit of consultations with our colleagues from the Left Parties and I did them the same briefing, which I did to the Members of the NDA. After coming back, before making the statement in the House, I also requested Atalji, Advaniji and Jaswant Singhji to do me the honour of sitting with me, so that we could jointly appraise and analyse what we have achieved and what we have not achieved. I was very privileged that they did accept my invitation. I did the same thing with regard to our Left colleagues.

Therefore, Sir, within the limits of possibilities, all relevant steps were taken by us to keep the keep the main cross-currents of political opinion

within our country — the leaders of the Opposition, the leaders of the Left Alliance — fully informed of what we were going to do before going, and what we did after we came back.

Sir, several points have been raised here. Sushma ji referred to the statement of a particular American official, Mr. Nicholas Burns. She preferred to believe him rather than me. I think the choice was entirely hers. But I do hope, I am right in saying that she and her friends have greater confidence in Mr. Strobe Talbott. She should also quote what he has been writing about what our Government has done in Washington. Mr. Talbott's comments are exactly in the opposite direction that too much has been conceded to India, that the nuclear order will collapse because President Bush has made extraordinary concessions to India.

I am not going to say who is right and who is wrong. I think, I leave this judgement to the hon. leaders of the Opposition. My purpose today is, through this House, to inform our country what I set out to achieve and how far I have been successful in achieving that. The purpose, the basic thrust, of all policies of our country, as I see it, is to set in motion processes which would enable us to leap frog in the race of social and economic change so that we can get rid of chronic poverty which still afflicts millions and millions of our people. After India became independent, great progress was made in all directions. But, the task of getting rid of poverty to which Panditji committed our nation on the 15th of August, 1947, is still not complete. When I presented my first Budget as Finance Minister in 1991, I had then referred to both Houses of Parliament, quoting Victor Hugo, that no power on earth can stop an idea whose time had come, and I had then suggested to this august House, and the other House, that the emergence of India as a major global power happens to be one such idea whose time has come and that is the goal that our Government has sought to work on to realise. Whether we have succeeded or not, it cannot be realised in one go, but that is the mission, that is the ambition, and India's foreign policy has to contribute to preservation and strengthening of national security and also to widen our development options.

We live in a world which is not a world which we like in all respects. Yet, it is a fact that inter-dependence of nations is a reality. And, that in this inter-dependent world, there is such a thing as power relations. This power in the world is not distributed equally, and we know, through history, that

where there is inequality of power — international relations are fundamentally power relations — those who are more powerful cannot resist temptation to coerce those who are weak. The United States is today a pre-eminent power. It is a super-power. It has global interest. In many areas, those interests do not coincide with our interests. Our ambition is to work to create a more just international system, a world which will be more moving towards multipolarity; at the same time, to take advantage of the opportunities that exist in the present system to achieve our goals of accelerating the pace of social and economic change. We are not saying that this multi-polar world can become reality overnight, but we have a contribution to its realisation that can be done only by making India a strong pole of the global economy. Therefore, my first effort has been to use whatever opportunities that exist in the present system, to take advantage of those to move India into a high growth path.

Our country, today, is admired all over the world. We have the second highest growth rate in the world and what is more significant is that the world today marvels and respects India for what we are - a country of one billion people with great diversity of beliefs, of religions and yet, seeking its salvation in the framework of a democratic polity committed to all fundamental human freedoms and respect for the dignity of the individual.

Therefore, there are opportunities in this unequal system that we have to contend with, and, I sincerely believe working with the United States to explore areas of convergence of interests is in our national interest. This does not mean that we endorse everything that the United States does, but in an interdependent world in which the United States counts for what you all know, we have to do business, and, therefore, my effort has been in this visit to help create an international environment which is more supportive of India's development efforts and which in the process widens our development options.

Excessive discussion has taken place on the nuclear issue. My first thought when I thought of visiting the United States was not on nuclear issue. I was worried about the state of India's agriculture. The previous Government prepared the Tenth Five Year Plan. It has a target of four per cent growth rate of agriculture. We are nowhere in sight. Our agricultural economy seems to have reached a platform where new technologies associated with the Green Revolution, which came about in the mid-sixties

and seventies, seem to have lost their old dynamism. And, therefore, I thought this is an opportunity to use the tremendous advances in human knowledge, in bio-technology and related fields to see if we can revitalise our research institutions, our agricultural universities, our extension centres, and, that is what is reflected in the Joint Statement, and, I attach great importance to its role in modernising and expanding the horizons for India's agricultural economy. Therefore, please do not concentrate only on the nuclear issue.

Then, there is this tremendous infrastructure bottlenecks. The tragedy of Mumbai is very much before us. How inadequate infrastructure has created such a human misery in this premier financial capital of our country. This could happen to any other city. We have been very negligent of infrastructure management. I have calculated that we need, at least, \$ 150 billion worth of investment in the next seven or eight years if we have to modernise our infrastructure, if we have to realise our ambitions of moving on to a growth rate of eight to ten per cent. Our domestic savings rate is respectable, but we need international help and the United States can help us, and, therefore, when I discussed this idea first with President Bush when I met him in Moscow, he said that the American Government is not now in the aid business but whatever we can do to encourage the US business to take greater interest in India, I will work with you, and he said, I will put 5 of my best friends who are in the world of business to work with 5 of your top businessmen and let them jointly explore as to how our two countries can work better to realise your vision of a more dynamic infrastructure.

I attach great importance to that aspect of my work in Washington. When I was in Washington, three of our top meteorological scientists, led by Dr. Shukla, came to me and said, "India's meteorological system require a sea change, if we are to take advantage of what is happening on the frontiers of relevant scientific subjects". This is not only in meteorological matters that we need upgradation of our skills. Our scientists have done very well. We are proud of their achievements. But human knowledge is increasing at a pace which was unthinkable even ten years ago. Therefore, we need increased contacts between the academic institutions, the research institutions, between the scientists of our two countries. And, fortunately, there are today, in all major US research centres, whether you go to the IBM laboratory or you go the University, bright young Indians are operating

on the frontiers of the knowledge. I think, this is the brain reservoir we must tap. And, during this visit, it was my effort to tap that potential reservoir for our country, and that is an aspect which I would like to emphasise. We have reached an agreement, a Framework Agreement, on science and technology development in frontier areas. The United States now recognises India as a space leader. I hope possibilities of cooperation will occur which will do us credit. This was yet another aspect of my work and what we achieved is mentioned in the joint statement.

But, I was always conscious of the fact that if India is going to become a major growth pole of the evolving world economy, if we have to achieve every year 8 to 10 per cent growth rate, we would require the growth of commercial energy in our country, at least, at the same rate as our GDP growth. In fact, in our country, the demand for commercial energy is going to increase at a much faster pace. Why do I say this? Because, in our country, two revolutions are taking place simultaneously. At one go, under the impact of modernisation, the subsistence rural economy is shrinking. Therefore, old traditional ways of meeting energy, firewood, household fuels, they are giving place to the increasing demand even in the rural sector for modern commercial energy. And, secondly, as we grow, as we industrialise, as we urbanise, there is that increase in demand for commercial energy. Therefore, India's energy security, along with the security of our water resources and security of our food, I think, is a critical determinant of what happens to the Indian economy in the next 25 years. Now, if we are going to work for energy security, what are we going to do? We have plentiful reserves of coal. We, today, produce about 400 million tonnes of coal and calculations are that the demand for coal will increase over a thousand million tonnes by the year 2010. More production of coal must take place. But with it come consequences for the environment, the CO₂ emissions. I mean, if, in due course of time, the international climate change regime comes about, this could become a cropper. Therefore, we cannot put all the eggs in the basket of coal, though we work to develop clean coal technology. That is one area of priority, which is recognised in this Joint Statement.

Today, we cannot do without hydrocarbons. For 70 per cent of our consumption of hydrocarbons today, we are dependent on imported supplies. I hope this prosperity prevails in the West Asia. But who can ignore all the uncertainty, leave aside other uncertainty? We are witnessing this year the

uncertainty, instability and unpredictability of the oil prices. They have tripled in the last five or six months. So, we must, therefore, explore other options.

The resolution which led to the establishment of our Atomic Energy Commission and, our country will be eternally grateful to Panditji for having the vision to recognise the role of science and technology, particularly atomic energy, in managing the future needs of our country — laid the greatest emphasis on the use of atomic power for generation of electricity. I think, Jaswant Singhji, mentioned our ambitions in this regard.

I was a Member of the Atomic Energy Commission, when I was Secretary in the Ministry of Finance, way back in 1970. At that time, we had prepared a plan to reach the target of 10,000 Megawatt for nuclear capacity. We are today 30 years away from that period. Our total capacity is about 3,000 Megawatt. In the next five or six years, it can at best rise to about 6,000 Megawatt. But, even for these, we do not have fuels. We have problems in mining uranium in the areas where domestic deposits are found. As far as imported fuel is concerned, once again, because of the restrictive international regime, which the United States and other countries have erected, we are not able to access those sources or supplies. Therefore, it was my ambition to use this visit to make an earnest effort to get this restrictive, repressive, and inequitable regime — which for 35 years has stood as an obstacle in our race to leapfrog in the race for social and economic development by use of high technology - out of the way.

If we want energy security, we have to rely more on nuclear energy. All over the world, nations like Japan and France, which are short of raw material, rely heavily on nuclear energy. I do believe that while we must develop coal, we must develop hydropower; we must develop renewable sources of energy to widen our development options for the future; and we must have an equal access to commercial energy, which is environment-friendly.

Sir, Jaswant Singhji referred to the international nuclear order. It is in a state of flux. You may call it disorder. I am not good at analysing long-term trends. But that there is a flux, nobody can deny. The NPT exists, but we all know, for example, the loopholes that exist and how despite the NPT, proliferation has taken place in our own neighbourhood. I could not, in the present stage, ask President Bush or the US Government that they should remove all restrictions on trade in nuclear assets. They said that

there is such a thing as 'civilian' and there is such a thing as 'military'; we are willing to help you to augment your energy resources for use of your development, but military purposes are in other kettle of fish. I had to reckon with that reality and, therefore, I had to evolve our approach, taking into account the realities of the world order. And the world order being whatever it is, I was clear in my mind that we shall do nothing which will, in any way, compromise our independence with regard to the management of security.

And despite the doubts that had been sought to be cast by Sushmaji, I assure this House that I am satisfied that those doubts are not based on facts. It is true that what the US President has stated will require Congressional assent. It is also a fact that at my instance, President Bush has agreed that he will use the US influence with US allies and other countries also to dismantle these repressive regimes. And that applies also to the nuclear suppliers' group to make concessions in favour of India. What the US Congress will do, I cannot predict. But if you read the Joint Statement, it is clearly stated that after the US position is stated, what are our commitments. The starting sentence of that refers to that all these commitments are to be interpreted in reciprocity. If there is no action taken by the United States Government or if the US Congress does not agree with the US President, we are completely free, for example, to stay where we are. We are not required to do anything.

The separation of civilian nuclear facilities and military facilities, I have been told by our nuclear establishment, can be done. I have not studied the details, but competent observers have told me that the Father of India's Nuclear Programme, Dr. Raja Ramanna, himself had proposed, long ago, that such a division should be made. Our nuclear establishment has told me that this can be done, but it will have to be done in a phased manner. And, therefore, we put it to the US Government that this separation will be done in a phased manner. It will be an autonomous Indian decision as to what is 'civilian' and what is 'military'. Nobody outside will tell us what is 'civilian' and what is 'military'.

Therefore, Sir, I submit to this House that we have all the essential safeguards built into this Joint Statement which will ensure that India's autonomy and independence in the management of its nuclear assets is not compromised in any manner.

Sir, what are the commitments that I have taken? I am very clear in

my mind and I can assure the House that there is no secret appendage or secret agreement. Everything that I discussed with the President is faithfully stated. There is nothing more to our agreement than what is stated in this Joint Statement. Now, what are these commitments? First of all, there is a moratorium on nuclear tests. This was announced by the previous Government and we said that we would continue to do so. Then there is a commitment to work with the United States for the conclusion of a Multilateral Fissile Material Cut-Off Treaty. Sushmaji, I think, was skilled in pointing out the quibbles about words "together with", "working with", etc. I respectfully submit that there is no difference between the commitment that the previous Government made and what is stated in this Joint Statement.

Sir, the third is to ensure that necessary steps have been taken to secure nuclear materials and technology through comprehensive export control legislation and through harmonisation and adherence to Missile Technology Control Regime and Nuclear Supply Group guidelines. Only a few weeks ago, this august House passed the necessary legislation which obliges us to ensure that our sensitive technologies do not get into the hands of unauthorised persons. So, there is no commitment, which is being taken, which is not there in the laws as approved by our Parliament. The only commitment that I have taken additionally is to agree to the separation of the military from the civil programme. There I have the support of the nuclear establishment. The Chairman of the Atomic Energy Commission was with me. It is only after he was satisfied that this agreement protects all the essential interests that are dear to all of us, I signified that we can go ahead with this arrangement. I respectfully submit to you, Sir, that the arrangement, as it stands, is in our national interest. It preserves our autonomy of the management of strategic nuclear assets. Whatever the designs, whatever the contents of the nuclear weapon programme, that will continue to be exclusively the decision of the Government and the people of India.

As far as our nuclear programme is concerned, our scientists have done us proud by having mastered the complete fuel cycle. From Pressurised Heavy Water Reactors to Fast Breeders to Next Generation Reactors based on thorium, we will give them all possible facilities to realise this vast latent potential represented by the Indian science and technology in the US. So, there should be no doubt in anybody's mind that the nuclear programme, our research effort, will suffer. There should be no doubt that our strategic

asset programme will not remain exclusively in our own hand and, at the same time, we have the satisfaction that if what the President has promised me is really implemented by the Congress, we would have full equal status with regard to international trade in civilian nuclear facilities.

I think if that comes about, it will open up a few possibilities of the development of India's nuclear energy system. We have today because of a small nuclear energy sector, only small firms, high technology firms, in which we can take great pride. I take pride in the activities of the Bharat Heavy Electrical Ltd. I take pride in the way Larsen and Tubro has managed the most modern technologies, and then Walchand Hirachand. But these are only small islands. If in the next 20-30 years our nuclear power programme increases and we have the ambition to aim at 30,000 to 40,000 megawatts of nuclear capacity in the next 20 years, I have a vision that this will bring about a new burst of creativity, a second industrial revolution based on high technology where we will find many more new firms mastering the complicated new technologies now operating on the frontiers of scientific knowledge and technology.

Now Dr. P.C. Alexander said, "There are risks. US may not live up to what they promise." In life nothing is very certain. I think we have all to work on the assumption that things ex post may not turn out to be what they appear to be in sight. We must, therefore, take precautions. But not to take risks would also be an act of lethargy. What is necessary is that we, as a nation, should take calculated risks. I submit to this august House that what we have done during our visit is, if there are risks, those are calculated risks; they are worth taking. While I am on the subject, I would like to conclude by paying tribute to the team of officials who worked hard. The Chairman of the Atomic Energy Commission, Dr. Kakodkar; the National Security Advisor, Mr. Narayanan; the Foreign Secretary, Mr. Shyam Saran; our Ambassador in Washington, Mr. Ronen Sen, all working actively under the guidance of my colleague, Shri Natwar Singh. I think they deserve our appreciation for what they have done.

With these words, Sir, I commend to this House that it should endorse what we have done in Washington.



523. Speech of Minister of Defence Pranab Mukherjee replying to the debate on his statement in Parliament on August 2 on the New Defence Framework Agreement between India and the U.S.A.

New Delhi, August 8, 2005.

Mr. Deputy Chairman, Sir, first of all, I would like to thank all the hon. Members and Leaders who have participated in this discussion which has arisen out of the statement which I made on the floor this House.

Sir, to be very frank, when I went to the USA, I did not have any idea that this visit and the consequence of this visit will receive so much attention that Parliament will debate on the statement which I have made and the framework which we have entered into, the Framework of Defence Relationship with the USA — India-USA Defence Relationship. Certain points have emerged, and certain points have emerged out of non-existing fears and apprehensions.

Certain concerns have been expressed completely ignoring the history of the country, this great country, for the last 55 years since Independence. Certain fears have been expressed by injecting meaning, which does not exist. It is a framework. It provides a broad outline of Indo-US defence relationship. How this broad outline will actually translate into reality will depend on what we want and what the USA wants. A bilateral relationship cannot have one-way traffic. It must have an agreement between both the contracting parties. First of all, I would like to thank the hon. the Leader of the Opposition. He has widened the scope of the discussion. Surely, Mr. Chairman, Sir, it is not possible for me to make comments on the decision-making process in the United States' system, pressures, counter-pressures, because in Government, he knows, I know, I am in Government for a pretty long time, we enter into arrangements with the Government of the day and the Government of the day decides in the context of their perception of the situation which prevails at that point of time and every Government is sovereign, nothing binds. Normally, we try to respect the international commitments. But there are so many international commitments, so many international agreements, which have not been actually translated into reality because the contracting parties did not find it necessary to do so. But what is there? My colleague, Mr. Nilotpal

Basu, started by using one of my words when I described my visit exploratory — what does it mean by exploratory. I think Mr. Siddiqui also asked why such arrangement, agreement has been made in such a haste. What is the haste? We had the defence relationship in the agreed minutes of 1995 and it was decided that after ten years in 2005 it would be reviewed. When I used the word 'exploratory', I was asked by the media, "You are going, what is your shopping list, what do you want to buy - F-16, F-18, PC-3 Orion." I said that I am not going with a shopping list. This visit is an exploratory visit, exploratory in the context of procurement of weapons. If you just pick out the word, leaving the other words, it conveys sense. In the statement, Mr. Siddiqui, you should not have missed that point. In the Parliament itself I said, in the Statement I have stated that it is the extension of the agreed minutes, which were completed in 2005. But surely what happened between 1995 and 2005 those will get reflected in the arrangement, which we are making.

Another apprehension which has been expressed, perhaps it is because of our psychology, the United States of America are fond of using certain phrases, certain usage, certain idioms and through them they want to convey certain senses. Accepting those phrases does not mean that we accept the policies. Repeatedly, I have pointed out that when there is a question of collaboration in the multi-national operation in their common interest —their common interest means in the common interest of the contacting parties — where is the question of sending troops to Haiti or to Iraq? There is no such obligation. This agreement does not frame the overall foreign policy. This is within the context of the foreign policy and it is not true. Therefore, for the first time we have entered into a defence relation with one country. Right now, just at this moment, we have defence cooperation with as many as 12 countries, including Russia. And only one country with whom we have defence agreement at the ministerial level is Russia, no other country or at the level of the Secretary. There is no question of compromising our national interest, of our sovereign independent decision-making. But, at the same time, can we ignore the need of the defence requirement? The Leader of the Opposition has very correctly pointed out that there has been a sea change. There has been a real military revolution with technological upgradation, information technology. The type of war we found in Iraq we had not seen it earlier. Therefore, if we do not upgrade our technology and explore the possibilities of having the technology which will suit us to equip us to meet our requirement, what should we do? This is

our bounden duty. Whether we get it or not is a different issue. The question would not have arisen at all. Early this year, the United States of America decided to allow their manufacturing companies to participate in Indian procurement. Earlier, they did not allow. When we floated request for proposals, American companies were not allowed to participate, to respond. In the month of March-April, they decided that now the American companies could do it. If they can do it; and if we have that technology, should we not explore that possibility? There maybe doubts. It may not materialise.

But, surely, we shall have to do that. We shall have to keep in view that there has been a sea change. Dr. Farooq Abdulla was reminding us as to what had happened in 1971. He is not here. I should not have responded. We did not respond in words. We responded in action. And that is the spirit of the Government of India. One need not feel that when somebody makes some irresponsible comment we shall have to respond to it by words. What did the then US President or the US Secretary of State state? We responded to it. But, it is equally true, Mr. Chairman, Sir, that it is not the USA alone or its Foreign Secretary alone, but there are stated words in the volumes of debates of the Rajya Sabha, where some political parties considered the Indian Army as the Army of occupation in Bangladesh and demanded that it should be withdrawn. In democracy it happens. Perceptions change. One does not remain at one place. The hon. Leader of the Opposition very correctly pointed out while putting that, perhaps, the most significant event in the post-Second World War era of the second-half of the last century, was the disintegration of the Soviet Union. And we suffered. All the Defence arrangements that we have with them did not serve our purpose to the extent it should have been served or to the extent we required them to serve. All of you are fully aware. Today, if I want to buy equipment, I am to place an order on a Russian company. That Russian company will place order on the manufacturing unit in some other country. Their economic situation is not quite good. So, I shall have to advance money. And, from there, they will advance money. As per the agreement, I cannot procure equipment directly from the equipment manufacturers. Therefore, what is wrong if we try to explore the alternative sources? If the alternative source is not available, it is not available. We have lived with sanctions for so long. Mr. Kasturirangan correctly pointed out the type of problems that we have in respect of the Cryogenic technology. Till today, we have problems in having an engine for the LCA. It is incorrect to say that something new has been done in this Framework. A lot of talks have

been made about the missile shields. Who is going to accept their missile shield? In the area of missile, whatever arrangements we are having right now are these. Before the signing of this Framework, the arrangements we were having were the arrangements of sharing information, participating in seminars and meeting of technologists. Nothing beyond that. What is not in the framework and if somebody tries/emerges that something is there in their own perception, I cannot help. It has never happened. Sir, the history of the Indian National Congress in this matter is unimpeachable; whether we are in office, or, we sit here or sit there, we don't change our policy.

On this matter, I would like to make it quite clear that our Foreign Policy has been evolved by this party. I know what was the approach, in respect of India's Non-Alignment Policy in the 50s; in the 60s, of many political parties, who have accepted it. Therefore, if they try to lecture us that we should do this, we should do that, I am afraid, it cannot be accepted. There is no question of compromise. Nothing has been done, it is an enabling provision. You may reject it, you may accept it. Soldiers may be sent to Iraq. Well it is. If you feel that you cannot stand before the mighty Americans that may be the complex of somebody. As the Defence Minister of the country, and as a Member of Parliament, I do not have any such complex. I can withstand it. Nobody can compel us. And, nobody will compel us. It is not an empty sound, it is the ground reality. A lot of issues have been raised. I have explained, in respect of the missiles, and I have shown it to some of the senior leaders that what type of arrangements they have, what type of phrases they use, how we have amended. Despite that, if this disinformation is being carried out, I cannot help it. I do not carry any ideological baggage that whatever the USA does is bad. I don't subscribe to that view. In this trip itself, at the Carnegie Foundation, I had pointed out that we do not believe in a unipolar world. There are so many power points. It has been stated that as if we have come within the American strategy between Malacca straits, completely ignoring the fact that our policy in that area is to build up relations with the littoral States. And, not in words, we have arrangements with Thailand, we have arrangements with Indonesia, we have arrangements with Malaysia. So, how can one say that this framework is leading you to collaborate with the USA in some sort of fulfilling their strategy, if you feel that there is necessity in certain areas? For piracy, we are cooperating. If certain nuclear protection of the seaways, if weapons are supplied to the States inimical to us, and if we have the capacity, we

shall intervene. And, that is why we have deliberately not used the word 'interdiction' in the framework. We have used the word 'interaction', not 'interdiction' because it expresses certain other connotation. But we shall have to put up a ceiling for our own national interest. And, if there is a need for cooperation, we shall have to do that cooperation. And, exactly, what we are doing is, we are extending that type of cooperation.

Mr. Chairman, Sir, it has been asked, "What is the role of the WMD?" We are a signatory to this convention. But that does not mean that we are going to be a signatory to the NPT. We are signatory to the Chemical Weapons Convention (CWC). Therefore, we are a party to various international conventions. And, as we are a party to the WMD, that is why Parliament passed the Act. In respect of terrorism, I myself had pointed out, and I think the Opposition will agree with me, sitting on that side, almost exactly at the place where the Leader of the Opposition is sitting now, and raised the same question — I have a copy of that day's debate — that how did they feel, how did they consider and what was their perception on how American action in Afghanistan was going to take note of our concern of terrorism? And his response was that *Taliban* regime is doing nothing but manufacturing terrorism, and if that manufacturing regime is destroyed we do feel our concerns are noted. Therefore, if we feel in certain areas there is necessity of having it, we have considered it. Repeatedly, we have told the international community. Before 9/11, nobody took notice of it, but in 1994-95, as leader of the Indian delegation in the United Nations, we moved a special resolution for international convention under the U.N. to deal with cross border terrorism. In 1995 they did not take note of it. In 1999, they did not take note of it. In 2001, if they do take note of it, should we say, 'No; no, you did not take note of it in 1995, therefore, when you are taking note of it, we are not with you.' That cannot be the approach. I do feel, cross border terrorism is the biggest menace to the world peace and tranquillity in the post-Cold War era. Surely, their perceptions and our perceptions are not equal. And our perceptions do not change about Iraq. And, most respectfully, I would like to submit, Sir, you will recollect one whole day we debated for one word, whether it will be 'condoned' or 'deplored'. (Interruptions) I think, for the word we debated for one day and, ultimately, agreed that it should be 'deplored.' (Interruptions) Therefore, the debate was for two days, but we were feeling very strongly. So, if we feel so strongly, surely, you can expect us that we are not going to have an arrangement, which will totally neglect us. But, at the same time, the ground reality has to

be taken note of. The ground reality is that in areas of defence, we must be prepared. Somebody has suggested that it will trigger off an arms race. There is no question of that. I myself pointed out that we have no intention of entering into an arms race. The question of dependability has arisen. Why do you want to go for joint production; co-production? Why do you want technology transfer? Because we are not quite sure whether buying one equipment, for its servicing, for its overhaul, we will get the necessary support. But if we have access to technology, we have brain enough, competence enough to absorb that technology and even to improve it with the support of appropriate institutions. This is not an empty commitment, empty promise because we have shown it although it has taken time. But, at the same time, we have shown it that we can do it. But if we get that, we must have it. That is the reason why we have suggested this. Somebody wanted to know, what is the composition of this Joint Production Group. The Production Group is yet to be set up. We have decided to set up that. Both sides will exchange the composition and it will be done and when it will be done, it will be operational and it will be under the Defence Policy Group. It was set up long ago and it is regularly meeting, and this institutional arrangement we are having with a large number of countries.

Coming to another point the Leader of the Opposition mentioned, it is true that there has been some problem, but to describe it that the decision-making process in the Ministry of Defence has come to a grinding halt, I think, is not correct. First of all, I would like to make it quite clear — Mr. Jairam Ramesh also raised this issue — that last year, that means, the year 2004-05, I have spent every farthing which was given to the Ministry of Defence and Rs. 11,000 crore alone for the modernization.

Shri Jairam Ramesh: Since when is the Ministry getting farthings?

Shri Pranab Mukherjee: No, I am not talking at all. What I am doing is, sometimes, for some of the public sector units we are keeping some money, but that is as per their advance, their bills. But, if there are some misgivings, some questions come, which we feel — this issue was also debated on the floor of Parliament; it is not that all the comments of the CAG are being automatically sent to CBI for investigation — but, if there are certain issues, which *prima facie* appear to be.... (Interruptions)... Sir, I will complete within four, five minutes. Most of the points I have covered. Then, there is no option but to send it, because, after all, in our system I do feel sometimes it

happens, if we do not take the appropriate action immediately, accusing fingers will be raised. Sometimes, it has its impact. Therefore, what we have decided is this. We have updated the defence procurement system. We have done two defence procurement systems. One for the revenue, the stores and other things which the hon. Leader of the Opposition is fully conversant with, and another is the capital procurement. We have put both these on the website. There are two areas where we have hardly any option. So many experts are sitting here and General Roy Chowdhury had even disclosed some information, which I did not have any intention to do. Sometimes, in the larger national interest, in the interest of friends, there are umpteen examples, where we took unilateral action—unilateral action with the best intention and not with the sanction of the United Nations, because, it is the compulsion of the situation. By and large, we go by the United Nations. Basically, there was no question of sending any troops or participating in the military operations. Even to be extra careful, when it was suggested that our armed forces wanted to have greater interaction with both, the Pacific Command and the Central Command, we decided that, no, we will not send our people there. We will enhance our Defence Attaché institutions in the Washington Embassy, and, to meet the requirements, whatever necessary will be done. But, in the case of Tsunami, in the case of natural disasters, sometimes all these things need to be necessarily done. We have done it, actually, in the last Tsunami, because the very nature of the things do not allow you time to have some sort of UN intervention. But the question of military operation, or the question of joint operation without UN sanction, Mr. Chairman, Sir, is out of question. Surely, we are not going to do it at all.

Another point to which I think some hon. Members have referred is this. I, deliberately, did not discuss the detailed geo-political situation, because the hon. Members had the opportunity of debating and deliberating on it when they discussed the joint statement of the Prime Minister and President both.

Even taking the risk of repetition, I would like to point out that this framework has opened an opportunity. Somebody has said that 'why the US has so much interest? Nilotpal is absolutely correct that the US has only one interest, paramount interest and that paramount interest is their national interest, and so do we have. What is our Foreign Policy? Our Foreign Policy is to protect our national interest. Therefore, if I consider

that my Foreign Policy has a bearing on my national interest, the core of my Foreign Policy is not to export technology, the core of my foreign policy is not to have any territorial ambition, but the core of my Foreign and Security Policy is, as I do not have any ambition, territorial ambition, similarly, I would not allow anybody to have territorial ambition at my cost. That is the core of my Foreign Policy, the core of my security policy. Why are they showing so much interest? It is for obvious reasons. They would like to sell their products. Everybody knows it. And, that is why we said — I myself told — that what is your track record, your dependability? So many organisations, including the DRDO scientists, are not provided with the visas. Therefore, with this track record, how do I believe? Perhaps, the answer lies if you come for co-production, if you transfer technology, then, perhaps, these types of difficulties can be obliterated. So, everybody would like to protect its national interests, without compromising the national interest, without compromising the very basic policy, and, frankly speaking, Mr. Chairman, Sir, the scope of this arrangement is this. It is a very high sounding word, but, actually, it is the agreed minutes of discussion between the two Defence Ministers of India and the US. We have given some good nomenclature, but that does not mean that we have arrived at any concrete arrangements, agreements. This is an enabling provision. To what extent this enabling provision will be advantageous to us will depend on to what extent we take this advantage and to what extent they also respond.

Once again, Sir, I assure all the hon. Members of the House that I am indeed grateful to them for giving their very valuable suggestions and advice, and all those advices will be kept in mind while formulating further policies. Thank you, Mr. Chairman.



524. Press release of President's Secretariat condoling the loss of lives in the United States caused by hurricane Katrina.

New Delhi, September 1, 2005.

The President, Dr. A.P.J. Abdul Kalam has condoled the loss of lives and damage in the United States caused by Hurricane Katrina.

In a condolence message to President George W. Bush, the President has said, "I am deeply grieved to learn of the loss of lives and damage to property caused by Hurricane Katrina in New Orleans and adjoining areas. On behalf of the people of India and on my behalf, I wish to convey heartfelt condolences and sympathies to you and the people of the United States and all those affected by this tragedy. I am sure that the American people will respond to this fury of nature with courage and confidence."



525. Press release of the Indian Air Force regarding relief supplies for hurricane affected parts of the United States.

New Delhi, September 6, 2005.

An IL-76 aircraft of Indian Air Force would be carrying relief supplies to New Orleans, USA which has been badly affected by the Hurricane Katrina.

The IAF IL-76 is expected to depart from Palam IAF base on 07 Sep 05 in the morning hours. The aircraft would be carrying 25 tonnes relief material to New Orleans, USA. The planned arrival of the relief material in USA is on 09 Sep 05.

The IAF IL-76 would be routing via Doha, Cairo, Lisbon & Boston, for New Orleans. This would be the first supply mission from India for the Katrina affected parts of US.

HQ IDS is the co-coordinating agency for the mission under the auspices of MoD and MEA.

The 25 tonnes relief supplies comprises 50,000 first aid kits, small tarps, blankets, 25,000 cots and pillows, 5,00,000 packed rations etc. Gp Capt R Sharma, CO of 44 Sqn IAF would be the Captain of the Mission¹.



526. Response of Official Spokesperson to the remarks made by a U.S Congressman about External Affairs Minister.

New Delhi, September 10, 2005.

In response to a question, the Official Spokesperson said:

The language used by Congressman Tom Lantos while referring to India's Foreign Minister during the Congressional hearing is, to say the least, unparliamentary. It is discourteous and crude and reflects negatively only on the U.S. Congressman himself².



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1. A Statement issued by the United States Embassy in New Delhi on September 5 said that the American Ambassador David Mulford met the Foreign Secretary Shyam Saran on the same day to express Washington's appreciation of India's gracious offer of assistance. On September 4 the Indian Ambassador in Washington Ronen Sen said: "A self-sustaining and self-supporting medical team from the Indian Army Medical Corps, including a surgeon, an anaesthetist, doctors, nurses and paramedics who have had first hand experience in handling such situations are ready to fly into the affected region in an Indian Air Force aircraft tomorrow (Monday) subject to US clearance. The Team will have its own medical equipment and stores. It is armed to complement the efforts of US organizations, will not require any additional logistic support and will not in any manner strain existing resources."
 2. The Spokesperson was referring to an AFP report from Washington quoting U. S. Congressman Lantos' remarks saying about the External Affairs Minister: "this is sickening, literally sickening, which we don't accept from the Indian Foreign Minister." If New Delhi did not support Washington's bid to refer Iran to the United Nations Security Council, the Bush Administration should freeze its agreement with New Delhi to expand nuclear cooperation, he said. "We have registered our concern with the Indian Government, of course," Under-Secretary of State for Political Relations Nicholas Burns was reported to have told the Congressional hearing, at which Mr. Lantos was present. It may be recalled that Prime Minister in his talks with the journalists on board the flight to New York to attend the UNGA had cautioned against getting provoked by statements by U. S. parliamentarians against Indian officials. "We should not get waylaid by the statements of individual Congressmen," he remarked in response to questions about Lantos's remarks. "Individual Congressmen

527. Media briefing by Foreign Secretary Shyam Saran on Prime Minister's meetings in New York.

New York, September 13, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good evening ladies and gentlemen and welcome to this inaugural briefing at the Media Center. We are happy to have Foreign Secretary here for this briefing. I request him to say a few words and then we will take questions.

Foreign Secretary (Shri Shyam Saran) : Good evening. The Prime Minister arrived in New York this afternoon. His first engagement this evening was his meeting with President Bush at the Waldorf Astoria hotel. This meeting was for about half an hour or so. President Bush was accompanied by the National Security Advisor Mr. Steve Hadley and Prime Minister was assisted by our National Security Advisor Mr. Narayanan.

At the start of the meeting, Prime Minister conveyed to President Bush our very deep sympathies for the destruction that has been caused by Hurricane Katrina and expressed our support and solidarity with the people of the United States in overcoming this tragedy. President Bush in turn thanked the Prime Minister for the assistance which has been extended by India. As you know a planeload of supplies has already reached the United States of America and I understand that another planeload is also being readied.

President Bush referred to Prime Minister's visit to Washington in July and said that this was a landmark event, an extremely successful visit. He also remarked that this seems to have also attracted considerable attention worldwide. He referred to the Joint Statement and the commitment of the United States of America to engage in full civilian nuclear energy cooperation with India and assured Prime Minister that he remained fully committed in this regard¹.

can say what they want. It is a free country. Our relations are with the United States Administration. President Bush and I have signed a joint statement and we will follow that," he said.

1. It may be recalled that in the meantime the United States had removed licence requirements on nuclear-related items, now allowing not only India safeguarded nuclear reactors but also Indian companies in the private sector to acquire technology, equipment and software. It also removed six Indian entities from the "entity list". This step was projected as the Next Step in Strategic Partnership and a move that would clear the way for the future civilian

They did have discussion, very brief discussion, about some important regional issues. In that respect there was a mention made by President Bush about Iran. President said that the current developments were causing some concern. Prime Minister reiterated our consistent stand on this issue. We have stated that India is resolutely opposed to any proliferation of weapons of mass destruction and makes no exception in this regard. On the specific issue of Iran's nuclear programme, we have stated that this must be pursued within the ambit of the commitments and obligations that Iran has undertaken.

Concerning the forthcoming meeting of the Board of Governors of the IAEA, Prime Minister stated that it was important that diplomacy should be given an opportunity to try and reach a consensus on this issue. This was important and India will certainly work constructively in this respect. The two leaders agreed that they would keep in touch. There was also a very brief discussion about the current UN Session.

Prime Minister once again reiterated his invitation to President Bush to visit India to which President Bush said that he is very much looking forward. As you know, this visit will be taking place early next year.

Media Advisor to PM (Shri Sanjaya Baru) : I will just add a couple of more things. President Bush said that he hopes that the US Congress would approve the agreement between India and the US. The Prime Minister then said that he was happy that the Indian Parliament had fully supported the Joint Statement though he did say that he was surprised at the criticism of the former Prime Minister Mr. Atal Bihari Vajpayee. He did say that he was surprised at Mr. Vajpayee's criticism but the Parliament discussed the Joint Statement and he had the support of the Parliament.

nuclear cooperation. The decision cleared the sale of nuclear-related items to India by U.S companies and lifted the earlier restrictions on export and re-export. This amounted to removal of India from the "NP2" list that it had imposed unilaterally after the Pokhran nuclear test in May 1998. However India still remained on "NP1" list, which only could be cleared by the Nuclear Suppliers Group (NSG). The U.S Ambassador in New Delhi told journalists that efforts were being made to persuade the NSG members on this issue. These decisions taken by the Bureau of Industry and Security of the U.S Department of Commerce were described as a "part of the process of relaxing the export control regime", and "making licensing predictable". With this latest move the three subordinate entities of the Indian Space Research organization and three entities of the Department of Atomic Energy were removed from the list. They are: ISRO Telemetry; Tracking and Command Network, ISRO Inertial Systems Unit, Space Application Centre, Tarapur Atomic Power Station (TAPS 1 & 2), Rajasthan Atomic Power Station (RAPS1 & 2) and Kudankulam 1 & 2.

Question : Mr. Foreign Secretary, going to what ... just said that President Bush had said he hoped Congress would approve the nuclear agreement, and also what you said in your opening remarks regarding the fact that he had brought it up, are you sensing – true enough he has expressed his commitment to go to bat for his agreement – but is he making the case of getting the message across that Congress has clearly drawn the line in the sand in this issue vis-à-vis Iran?

Foreign Secretary : No, that is not the impression that was given to us. As I mentioned, President Bush referred to the fact that this agreement was being debated in the Congress and there have been some voices of criticism. But he stated unambiguously and he assured Prime Minister that he remained fully committed to the implementation of this agreement.

Question : Sir, what specifically were the concerns that President Bush expressed to the Prime Minister on Iran?

Foreign Secretary : There were no specific concerns expressed apart from saying that there was a degree of concern about developments concerning the nuclear programme of Iran. He did not spell anything about India. When President Bush referred to this issue, Prime Minister set out our well-known policy which I just spelt out for you. And it was agreed that we should keep in touch. Of course, we are working together in the Board of Governors. Our preference is to see that a consensus is arrived at.

Question : One gets the impression that I think they doubt India's draftsmanship and they want to draft our Iran policy. This is the impression one gets hearing Congress members talk about India in a way which perhaps is quite demeaning. Apart from that, is it possible to say today that in case the United States goes beyond negotiations, beyond diplomatic overtures to sort out this problem, India will be with it or will be against it?

Foreign Secretary : Let me be very clear that the agreement between India and the United States on the nuclear issue is very clearly spelt out in the Joint Statement of July 18. As far as we are concerned, that is the agreement. So, the question of bringing in any additional conditionalities, additional factors, frankly does not arise for us because I think we are two responsible countries. We presumably stand by our commitment to each other and those commitments are very clearly spelt out in the July 18 statement.

Question : Could you tell us a little bit about your meetings? You have already met Nicholas Burns. What is happening on that?

Foreign Secretary : I am just going to the meeting.

Question : Could you tell us a bit on the NSA's meeting with Hadley?

Foreign Secretary : No meeting so far. This was the first meeting. I presume that they might be meeting but that meeting has not taken place.

Question : On nuclear agreement, what was the timeline? When do you feel it will be implemented? Any idea at all?

Foreign Secretary : These are the issues under discussion.

Question : In the dinner tonight, what will be the PM's role? What sort of a dinner it is? Is it a working dinner or is it a social occasion?

Foreign Secretary : I suppose, a bit of both.

Question : Could you tell us something more about the dinner?

Foreign Secretary : I think this is a kind of an overall review of the NAM positions on various issues that are likely to arise both in the High Level Panel meeting as well as in the General Assembly. As you know, there are a number of issues of UN reform which will be subject of discussion. But, as you know, this is a dinner and it will not be an in-depth sort of exchange of views. But it would give an opportunity to the Heads of State and Government who would be attending this dinner to exchange thoughts on the current, contemporary issues.

Official Spokesperson : It does seem like it is time for dinner, but there is a last question.

Question : I just wanted to check, in the Le Figaro interview in France Dr. Manmohan Singh has specifically mentioned the NSG and said what his problems and what India's problems are with that, double standards in a sense. Any mention of that?

Foreign Secretary : I do not think that there are any double standards that we are talking about here.

Question : The cartel, basically.

Foreign Secretary : Both France as well as the United States of America have stated that they would like to engage in full civilian nuclear energy cooperation with India and in that respect have also agreed to work together with their partners in the Nuclear Suppliers Group to make this possible. I think that is where things stand.

Question : ... (Inaudible)... of this trilateral meeting of Russia, China and India and the other meeting between the two Foreign Ministers ... (Inaudible)...

Foreign Secretary : As you know, this has now become a regular feature. We have been having these trilateral meetings on the sidelines of the UN General Assembly for the past few years now. And this is in that tradition. With regard to the kind of issues that they will be discussing, there will be the aspect of multilateralism and in that respect the very topical issues which are there in front of the UN General Assembly at its Sixtieth Session including the entire issue of UN reform in which all three countries are very interested. There is the aspect of multilateralism which we have committed ourselves to and we have said that we need to work together to reinforce multilateralism. We have tried to give economic dimension to this trilateral cooperation by talking about the need for us to work together on, for example, energy; and for working jointly together for energy development, for example, in Central Asia. We also tried to bring in the business element into this. There is an agreement that we should try and organize a trilateral business forum as well. So, there are a number of dimensions to this cooperation which are emerging.

Official Spokesperson : I am afraid we will have to cut it there because there are several questions in the line but the Foreign Secretary has to leave.

Foreign Secretary : I apologize but I have Mr. Burns waiting for me. So I need to go.



528. Press conference of Ambassador Ronen Sen on the interaction with CEOs.**New York, September 14, 2005.**

Official Spokesperson : Good afternoon everybody. We have with us Ambassador Ronen Sen to brief you on this morning's interaction with the CEOs and other issues. I request Ambassador Sen to first speak to you and then the questions.

Indian Ambassador in the US (Shri Ronen Sen) : Thank you, Navtej.

To give you just a broad outline of background of this meeting with the CEOs, as you know last year when the Prime Minister had come here I had co-hosted together with the CEO of the New York Stock Exchange a meeting with prominent American CEOs. This time I co-hosted together with Mr. William Harrison, the Chairman and CEO of JP Morgan Chase a similar event. Why Mr. Harrison, because just two months back when the Prime Minister was in Washington DC, one of the major initiatives which was taken to give more substance to our bilateral economic cooperation, you will recall that CEO's forum was set up and Mr. Bill Harrison was nominated as the American co-Chair of the CEO's forum. So, we thought it is appropriate coming immediately after that development that he and I could co-chair a meeting.

The idea was to keep the interaction limited to a small and select group of people. There was tremendous interest, I would like to say, in a large number of other CEOs joining the luncheon interaction but we, both Bill Harrison and I, had decided to keep it restricted in number so as to permit a real interaction. There were no speeches given. It was an interactive exchange which is most useful. These were people from a wide field of activity in business. Bill Harrison himself, as you know, is Chairman and CEO of JP Morgan Chase. Apart from that we had the Chairman of Citibank; we had Mr. Jeffrey Immelt who is the Chairman and CEO of General Electric, it is manufacturing; we had Mr. Rex Tillerson, who is President and CEO of Exxon Mobile which is most years Fortune 500 No.1 and some years it is No.2 – this time I think it is No.2 – but it is the biggest oil and gas company. Of course, we had, from the financial sector, people like Martin Sullivan who is the President and CEO of American International Group. In chemicals we had Liveris of Dow Chemical, etc. Also from the field of media we had

Mr. Rupert Murdoch. We had infrastructure, we had a number of other areas there. The names can be given to you, I would not like to go into that detail. The list has been given to you. The pharmaceutical sector is an area which is absent. This discussion did not touch upon any specific area but it was a very broad discussion and it was set without any fixed agenda. It was back and forth conversational style discussions.

The Prime Minister clarified the position of the Government and the steps which he envisaged for the future in being more responsive to the considerations of industry, whether it is of Indian industry or those from abroad who are interested in foreign direct investment, either setting up wholly owned subsidiaries or of entering into joint ventures, anything which facilitates greater technology transfers, high technology transfers, and facilitates trade in broad directions. So, this was the broad scope of the meeting.

A few issues which were brought up were familiar issues relating to the biggest constraint that we face in the area of infrastructure. But, at the same time, it was recognized among the American CEOs also that this constraint was also an opportunity for investment. Like for instance, to give an example, Mr. Immelt, not only Mr. Jeffrey Immelt but others (also) pointed out that if you have, let us say, more airports in India which can be called truly international, it will benefit everyone in the sense that it will have more of air traffic growth, air fares will become cheaper (for) both international and domestic (flights) and US and European companies can sell more aircraft. It will be beneficial in terms of facilitating more exchanges, trade and help the economy of India as well as create new opportunities for business in areas where such business cannot take place because of the constraint in terms of direct transportation links between the two countries.

If you have any questions, I would welcome that. As far as I am concerned, this was a very important part of the Prime Minister's visit because the Prime Minister is very very clear about the agenda, the economic aspect of our diplomacy is critical. It may not always grab headlines but I think it is very very critical. As someone who is being paid by the taxpayer of India at least I regard my top priority is to help in promoting trade, investments, technology transfers particularly those which will create more jobs in India and contribute to India's economic development.

Question : I just wanted to check if the Prime Minister said anything on increasing FDI in the retail sector.

Ambassador : No, this subject did not come up for discussion at all.

Question : Any company that specifically said they would invest or reinvest in India, more jobs more money?

Ambassador : Virtually every single company. In fact, if you see from the turnout, this group in terms of market cap itself, the market cap of this group is more than USD 1.4 trillion. In terms of assets, it is something like USD 3.6 trillion plus. So, it is very significant. These are all top rate decision makers. They stayed on and waited very patiently. The programme was delayed by almost an hour and they stayed back. They have come from different parts of the United States. A number of them have changed their previous schedule to be here specifically for this occasion. This itself is a demonstration of the fact that they are interested in India. There is not a single exception to this and each one of them reiterated their interest in India. Some of them made their suggestions which we will look at. It was agreed that some specific suggestions would be passed on to me and I would discuss these further and then forward them for consideration by the Government.

Question : Ambassador, Sir, all of us are using the taxpayers money in some way or the other including the Prime Minister. What are these concrete suggestions that you are talking about? Were there any concrete promises or decisions that all these people spoke about investing in India?

Ambassador : All of them. In fact since the New York Stock Exchange meeting last year a number of those who were not even contemplating visiting India, some of them I spoke to, like Bill Harrison who is now co-chair, who is taking such a great interest, have visited India for the first time. It is not that he is currently the co-chair and, therefore, his interest in India but as a company he and his own visit to India made him realize the tremendous opportunities. I am sure that after this visit you will have more direct exchanges. I said that but it is not that during these meetings that you have 'x', 'y', 'z' decision because those decisions will be made in India taking into account not only the inputs provided by the industry representatives from this country or from other countries but also taking into account our own priorities and the interests of our own industry. So, this is not a forum where you will have the Government announcing, or taking, or promising any particular decision.

But some of the suggestions which emerged appear to merit consideration. I would not like to make a pronouncement even on those because it was promised that that some of those ideas would be spelt out in very specific terms and that I would be given a paper by those who made those suggestions which we could look at. But we are very open to the suggestions and we will take them in the true spirit, in a constructive spirit and respond to them if we feel that this will further our own interest and the interest of getting in more high technology and promoting business and other ties.

Question : Can you give us a sense of how the CEO's lunch this year was different from the one you initiated last year?

Ambassador : Last year it was with the New York Stock Exchange basically. This time it was the Chairman of the CEO's Forum with whom I have decided to co-host it. But the intention was the same. This time also in the interest of economy and in terms of the Prime Minister's time, I decided that we should host it in the place where he is staying. And the fact is that I took into account what happened in July last year which is namely the setting up of the CEO's Forum and I thought it would be most appropriate that the Co-Chair of the Forum from the US side could be my Co-host on this occasion.

Question : This Government is dependent on crucial support from the Left parties. Was there any concern or apprehensions expressed by the CEOs on this aspect? Were there any specific allaying of these apprehensions by the Prime Minister?

Ambassador : All these people over here, I have seen, keep themselves abreast with all developments in India. I have read some of their reports – some of them on a confidential basis – but I can tell you that each one of them have an excellent understanding and update on exactly what is happening not only in India at the Central level but in different States. We know it is very difficult to generalize about India because what could be applicable to one State need not necessarily apply to another State. They are fully conscious of the fact that this is a coalition Government, that we have to have consensus on issues, and that in order to have sustainable reforms we ought to go through the process of consultation and take people on board. But this does not mean inertia or perpetuation of status quo. There has been forward movement. They are very conscious of the large number of initiatives which have been taken since the Government assumed office.

One of the factors which has engendered this tremendous interest in India is that they saw what happened. Like for instance apprehensions were expressed about the change of Government, the composition and the supporting parties. That was one factor. After that you had late monsoons. You had the tsunami. You had a tremendous increase in oil prices. At the end of it what do you have? You have a growth rate close to seven per cent. So, these facts speak for themselves. So, none of them raised any issue which relates to the political equations in India. Not one of them raised these issues. They are fully aware of it. Even in the private discussions which I had with some of them before the meeting, they did not express any serious concerns on this account.

Question : There was the recent visit of West Bengal Chief Minister, Mr. Buddhadeb Bhattacharya. He has openly said that he has no objection to take FDI or investment from any country. Money has no colour, he has said. So, in this connection may I ask whether any American company, those who have attended today's meeting, specifically enquire from you about West Bengal and the West Bengal Chief Minister?

Ambassador : I am interested in promotion of investment in all parts of India including in West Bengal. I have encouraged some companies to look at the investment opportunities there. I even told some of the companies who had enquired about some statements which had been made. But I told them that what you should do is, proceed in a pragmatic manner, do not arrive at conclusions on the basis of some statement or the other. But go there with concrete plans. Then you will find that the results will speak for themselves. The same applies, because the foreign companies not only look at policies and policy pronouncements which are made but they also look at what Indian industry is doing. So, if you have more of domestic industry investing in one particular part of India or the other, that is also something which is taken into consideration by the foreign companies.

Question : The latest report of the International Financial Corporation has come with a surprising conclusion that for difficulties of doing business, India is one of the worst. I was wondering whether you would take this up with International Finance Corporation and find out what are the factors which have made reach that conclusion. It appears the opposite of what you are saying.

Ambassador : What I am telling you is the presence of so many (top)

people. I do not want to go into the list of those people, but believe me when I say that a number of them were Fortune 100 companies. We decided that we are going to permit useful interaction to stop and limit the number. Otherwise, we would have had a larger gathering. So, whatever the IFC says or not - you have many reports and they will appear from time to time – the people who were present here are decision makers in terms of some of the world's largest companies in their respective areas. For instance, if you take Mobil, you have the biggest company in oil and gas, there is no question about it. Or if you have some of these insurance groups present there or the financial sector groups, they are some of the biggest companies in the world.

Second aspect is, what I have been saying all along which has not been projected by us but if you really look at it, it has been brought out by Business Week. All that I had asked them to do is that I said, 'Look, don't go by what I say. What is business about? It is about profitability. So you compare profitability in other investment destinations. That is not a question of debate. You take large companies, small companies. You take a five-year period, you take a ten-year period. And then you see what the bottom line is. What is the net return on investment, on FDI in the equity markets.' And you have this paper, it is a fairly respectable journal, Business Week. I think together with The Economist, they are the two most respected journals. They have arrived at the conclusion based on these facts that India is comparatively, and contrary to popular impressions, a very profitable place to invest in. So, a part of my job over here, and this is part of that exercise in getting these people involved, is to bring perception and reality closer to each other. And we are getting there slowly, incrementally. We still have a long way to go but we are getting there.

Question : Any concern with regard to the labour laws of India?

Ambassador : Nobody has raised this issue at this particular meeting. Yes, during my interaction with number of CEOs on other occasions this issue has been raised with me. All of them have pointed out that they, as American companies, would get into a lot of problems if there was any kind of exploitation of labour. They would have to face problems domestically in the United States. They say that we have different norms. But they have conveyed to me very clearly their concerns that we do not have flexibility that is required for any company to be able to operate to its optimum capacity

because in their perception a very small percentage of our work force is seeming to dictate the terms which adversely affect, again in their perception, the employment opportunities for the vast majority of the present working force and the potential working force in India.

Question : Mr. Ambassador, from July when you had this Group, the CEO's Forum in the White House, this time you think anybody dropped from that Group? Secondly, India is in dire need of energy. President Bush also said this many times. What are we doing about energy because you have everybody in this group including the Exxon Mobil Corporation. Have they committed to long-term or short-term energy needs India is having today?

Ambassador : This group was not meant to be a meeting between Prime Minister and the members of the US CEO's Forum. We went beyond the CEO's Forum. For instance, Jeff Immelt of General Electric which is the biggest name in, let us say manufacturing, is not a member of the group but he changed his plans. He came here to attend this meeting. So, it is not Mobil as you referred to. They are not member of the group. My intention was not to have just that group meeting but that he should meet a wider cross-section of people who are leaders in their field and have an exchange with them. So, it is not meant to replicate that meeting.

Question : In your opening remarks you have said Prime Minister referred to some of the decisions that have been taken by ... What is being envisaged? Can you just elaborate on what is being envisaged in various sectors? What are the policies being thought of?

Ambassador : When many referred to what is being envisaged he said that there is an agenda. A number of steps are being taken and this is a continuing process. For instance, he said that tariffs have come down very substantially, non-tariff barriers have been removed. He said that this is a process which should continue, and in the coming years we will bring down our tariff rates to those comparable with ASEAN and other countries in the region. So, this is what he was saying generally. For instance, in infrastructure we are aware of the constraints. But there are also several opportunities and this is something which is going to benefit. As I mentioned earlier, this is both a constraint on one hand for FDI but this is also an opportunity.

This has been demonstrated, for instance, in the telecom sector.

Telecom till very recently was identified as one of the biggest constraints in investment because they could not get through. It was extremely inefficient. But the same area now has become one of the high growth areas. Same could apply to other areas. The Prime Minister said that we go along, make suggestions along the way because our intention is to make our infrastructure world class. So, when he spelt out some of the directions of policy, he reiterated what he has already stated earlier in Parliament and elsewhere in India as to what has been done and what is envisaged for the future.



529. Media briefing by Official Spokesperson on the call by Dr. Condoleezza Rice on Prime Minister Dr. Manmohan Singh.

New York, September 15, 2005.

Official Spokesperson : The aircraft was to be received by the Brigadier General Self, Wing Commander of the Air Force Base at Arkansas. This is the 35th aircraft from the 20th country to have arrived at Little Rock Air Force Base. Earlier the Indian Ambassador in Washington had presented a cheque of five million US dollars to Red Cross as aid to the victims of Katrina. So, that is something additional besides the visit.

As far as the engagements, which have not been covered in earlier briefings today, one is the call by the US Secretary of State Dr. Condoleezza Rice on the Prime Minister this afternoon. This call was for about half an hour. The discussion was very warm and cordial which essentially carried on the conversation, which the Prime Minister had had with President Bush. They discussed bilateral relations essentially carrying forward the implementation of the decisions of the July 18 Joint Statement. She said that Under Secretary Mr. Nicholas Burns would be visiting India towards the end of October to carry forward the work on the decisions taken during the July Summit. He would also be looking at preparations for visit of President Bush to India in the early part of 2006.

In addition there was a brief exchange of views on regional issues including Iran where both sides agreed that diplomacy should be given full chance of resolving the issue. Prime Minister was assisted during the

meeting by External Affairs Minister Shri Natwar Singh, also the National Security Advisor, Foreign Secretary and India's Ambassador to Washington Mr. Ronen Sen.



530. Media briefing by Official Spokesperson on Prime Minister Dr. Manmohan Singh's meeting with President Bush on the sidelines of the UN General Assembly Session.

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531. Press conference of Prime Minister Dr. Manmohan Singh in New York.**New York, September 16, 2005.**

Prime Minister : These have been five very busy and productive days. I have met many leaders, interacted with several groups and carried forward discussions on a wide range of issues which are important to us. In France, I was touched by President Chirac going out of his way to receive me so soon after his recovery. I was even more moved by the warmth with which President Chirac received me and the meeting of minds that was apparent. Our discussions ranged over bilateral matters and global issues and I was convinced that the strategic relationship India enjoys with France is a source of stability and creativity in the multi-polar world order that both countries value. We agreed that we would work together intensively over the next several months to finalise framework agreements in defence cooperation and in cooperation in the field of nuclear energy, in time for the President's visit to India in February 2006. We also agreed that we would work together on issues of global concern such as the urgent need to raise resources for development, on which India and France have traditionally taken a leading position. I assured the President that we would support a French initiative in this regard. I also reviewed the agenda of bilateral cooperation with Prime Minister de Villepin and was impressed by his enthusiastic commitment to the promotion of Indo-French ties. I thanked President Chirac and PM Villepin for French support for India on a variety of issues including our participation in Galileo in ITER, for India's candidature for permanent membership of the Security Council. We have agreed to conclude at an early date agreements for cooperation both in defence and in civil nuclear energy.

In Paris I also met an impressive group of French businessmen and CEOs and was struck by the interest they displayed in India, and by their enthusiasm for investment prospects in the Indian economy. I had a very stimulating exchange with French scholars who work on India in a variety of disciplines. I underlined to them the importance we attach to deepening educational and academic exchanges.

Here in New York, my time has been balanced between activities relating to and on the margins of the UN and some important bilateral meetings. Apart from participating in the High Level Plenary Meeting of this

60th session of the UN General Assembly, I joined President Bush and UN Secretary-General Annan in the launching of the UN Democracy Fund to which we have made a significant contribution. I also met the Presidents of South Africa and Brazil in the context of the IBSA Forum. This brings together our three major developing countries across three continents and as it develops, this forum can have a beneficial influence on subjects of topical importance. I suggested to the group that we should identify the specific sectors in which our combined strengths can have the maximum impact for the common good of developing countries such as in health, science and technology and energy. The Presidents of South Africa and Brazil accepted the suggestion and our Foreign Ministers will take this forward over coming months.

I have had several important bilateral meetings. The day I arrived in New York on September 13, I met President Bush. Following soon after my visit to Washington in July, we reaffirmed our commitment to work together in implementing the major cooperative steps proposed in the Joint Statement of July 18. I reiterated our invitation for President Bush to visit India early and he agreed to do so.

Yesterday I meet President Putin. As always, I found that we share perceptions and objectives with Russia that exemplify our strategic partnership and a common vision to deepen this further. We agreed that this relationship is deeply valued by both sides and we will make a positive effort to intensify it in economic and trade matters. This meeting was a good prelude to my own visit to Russia later this year.

On September 14, I met President Hu Jintao of China. This was our fourth meeting this year, we met in Jakarta and then in Moscow, at Gleneagles and now in New York. We have established a strategic and cooperative partnership with China and we see each other as working together for stability in Asia and the world. We agreed to work together and, in the first instance, to set higher targets for bilateral trade, even beyond the doubling in value to which we committed ourselves earlier this year.

Night before last, also on September 14, I met President Musharraf and hosted him and his delegation to dinner. You have seen the Joint Statement we issued at the end of the meeting. This reflects our discussions in which we reviewed the entire bilateral agenda encompassed in the

Composite Dialogue. We shall continue these discussions, and our engagement with Pakistan at different levels with a view to achieving the good neighbourly relations to which we aspire.?

Question : inaudible?

Prime Minister (Dr. Manmohan Singh) : I do not think that is an appropriate way to go about. We have the assurance from the President. I do not doubt his sincerity. He reaffirmed to me when I met him that he is very serious about ensuring that nuclear cooperation in civilian nuclear energy with India goes forward.

As far as this question about the nuclear programme of Iran is concerned, our position is quite clear. I think there is no difference in objectives. We believe that another nuclear weapon power State in our neighbourhood is not desirable. We also believe that Iran, being a signatory to the NPT, must honour all its commitments and all its obligations. Therefore, we are not holding any brief for the nuclear programme of Iran. All that we are saying is that given the seriousness of the problem, diplomacy must be given the maximum possible scope to find a peaceful resolution of the issue; and that the International Atomic Energy Agency should be given a chance to work out a consensus on the issues that have arisen.

Question : (L. K. Sharma): Mr. Prime Minister, having said all this, what we have said publicly on the Iranian nuclear programme, after your talks - because both Mr. Bush and the Secretary of State apparently took up this issue again ?are you reassured that Iran issue will be kept away from the Indo-American relations?

Prime Minister : I do not see a crisis in our relationship. I explained our position to the President and I explained our position to Secretary Rice. I repeat - we are not holding an alibi or a brief for Iran's nuclear weapon programme. Our conviction is that Iran must honour all its commitments and obligations under the international treaties to which it is a party. So, in terms of objectives there is no difference. The question is about tactics, how to go about securing compliance. We feel that diplomacy should be given maximum possible scope because we are located in that region. We have to recognize the fact that three and a half million Indians are working in the Middle East. If anything happens, a flare up will create difficulties for people working in the region. We have to worry about the impact on

remittances and the balance of payments. We have other factors with a sizeable element of the Shia population in our country. We have world's second largest Shia population in our country. So, we have to weigh all these factors. But, as of now, after having explained our position to both the President and Secretary Rice, I do not see there is a crisis in our relationship. They understand our concerns. They also recognize that in terms of basic objectives, there is no divergence of thinking between our two countries.

Question : (Barkha Datt): Mr. Prime Minister, how upset were you personally at the reference made to Kashmir by Pakistan's President in his speech to the United Nations? Subsequently there was a clarification that this was Pakistan's stated position but he was willing to go beyond this in his bilateral relationship with India. Do you believe in your assessment that this is what soured the atmosphere of talks?

Prime Minister : Let me say that I was surprised at that reference to Jammu and Kashmir and the Security Council resolution because that was at divergence with the tone and tenor of President Musharraf's address last year to the General Assembly. If we have to go back to the United Nations Security Council Resolution, then there is no point in our discussing, carrying forward this dialogue. He did clarify to me that that was not his intention. He said that I was not reading it correct, that it was not his intention to give that impression. I do not know what he stated at the Press Conference but that is what he told me, that that was not his intention to give that impression that Pakistan was going back to the Security Council Resolution.

Question (Jyoti Malhotra): I had actually the exact same question but this is just a follow up. *MR. Prime Minister, Have you spoken to President Musharraf about Sarabjit Singh. What did you tell him and what type of assurance he gave you?*

Prime Minister : I did talk to him and I am satisfied with the response that he gave me.

Question : What was the response?

Prime Minister : I think I would not elaborate on that. Mr. Foreign Secretary, do you have any information.

Foreign Secretary (Shri Shyam Saran) : He mentioned that there were

certain legal issues involved which will have to be examined. But he also assured you that he will look at this question in a humanitarian way.

Question : Mr. Prime Minister, do you have any special message for the Indian American community as far as India's seat in the Security Council of the United Nations? What can the Indian American community do for furthering the Indo-US relations? India is the world's largest democracy and we should be on the United Nations Security Council.

Prime Minister : The message that I have for the Indian American community is that we are proud of their achievements, attainments. The sharp upgradation of India's image in recent years in American eyes is very largely the result of the achievements of the Americans of Indian origin. I wish to thank each one of them for the contribution, the outstanding contribution, that they have made. I believe many of them are influential in political circles. I sincerely hope that they will carry conviction with their Congressmen and Senators whenever matters relating to India come up before these bodies. India's case for a membership of the Security Council has widespread support. I do not believe that even the United States Government has any serious doubts that a country like India does deserve to be in the Security Council. We have to push our case harder. I expect Americans of Indian origin to play an important role in lobbying their Congressmen and members of the Senate.

Question (K.P. Nair, The Telegraph): Shortly before you arrived here, Sir, Condoleeza Rice was on record on ABC suggesting that India, China and Russia should work together to persuade Iran to give up its nuclear programme. In your meeting with either President Bush or Dr. Rice, did either of them specifically ask you to get involved in the diplomacy with Iran? If so, did you discuss it with the Chinese or the Russian leaders?

Prime Minister : We are members of the Board of Governors of the International Atomic Energy Agency. I did meet President of China, I did meet President Putin. Naturally, there was discussion and exchange of views on all these issues including Iran's nuclear programme.

Question (Deepak Chaurasia) : *In his UN press conference Gen. Musharraf said clearly that he is willing to leave behind the stated position of Pakistan in the UN, the Security Council resolutions, and willing to adopt a very flexible position, he can forget it, and he is talking of forward movement, provided*

India too is ready to adopt a flexible position on its stated position on Kashmir. Is India prepared to accommodate Pakistan? Would India adopt a flexible position on the composite dialogue in the coming days?

Prime Minister : We have adopted a constructive attitude. The Composite Dialogue has made a significant progress. The Joint Statement that we have issued day before yesterday also reflects that we are committed to work together to find pragmatic solutions to all outstanding issues including the issue of Jammu and Kashmir.

Question : *Mr. Prime Minister, How do you see your meeting with Musharraf? It is being made out that the meeting was not very successful. It is damp squib in terms of...? How do you see it that you...?*

Prime Minister : I do not take a pessimistic view of that. We have come here primarily to address the United Nations. This meeting was only arranged as a sideshow. Now, every sideshow cannot result in major dramatic pronouncements. The fact that the President and I had met, we had dinner together, we were together for four hours, we had a very frank exchange of views about what were our compulsions, what were his compulsions, what we can do, and how we can move forward. I recall the outcome as a very constructive outcome. It was an essay in mutual comprehension. I think in that it succeeded admirably well.

Question (All India Radio): The problems of so-called atrocities in Kashmir have to be tackled simultaneously not one after the other. What is your comment on that? Secondly, when you talked about violence in Kashmir to him, did he give any new timeframe by which they will try to stop the violence?

Prime Minister : I was very impressed by the President's unambiguous commitment that he has put in place system, which will bring infiltration under very effective control. I hope he is right and that there is an improvement. I have said unilaterally, even before I left Delhi I think, in my meetings with the representatives of Hurriyat Conference that if infiltration ends, if violence comes down, we will ensure that there is a reduction of troops. But all this is contingent on the ground realities being conducive for that development.

As far as so-called atrocities are concerned, let me say that whenever any atrocities take place it is our obligation; we owe it to our people to

protect, to safeguard their human rights. I am committed to doing all that is possible to protect the dignity and human rights of all citizens of Jammu and Kashmir. There are people who are behind the bars. I have said that we will review all such cases. We owe it to our own people to protect and safeguard their human rights. The fact that there is so much of violence, the fact that cross border infiltration continues, the terrorists are active, does impose some burden on the ordinary citizens. If the ground situation improves, as President Musharraf assured me that it will improve, there are lots of things which can be done.

Question (Vir Sanghvi): Prime Minister, a year ago, probably on this very day, on your way back from the General Assembly you famously described General Musharraf as a man we can do business with. Given the developments of the last two days, given that his speech to UN clearly took you by surprise, given that his attitude and tenor clearly took the Indian delegation by surprise, do you think perhaps you were too enthusiastic in that earlier assessment? Secondly, General Musharraf has assured you that the Indian claim that there are 31 terrorist camps in Pakistan is inaccurate, that there are no such camps. Do you believe it?

Prime Minister : I would not like to go into all this detail. Let me say that who rules Pakistan, I cannot determine. General Musharraf is the ruler in Pakistan and we have to deal with them. We deal with him and we are prepared to deal with him. As far as the statement, I did feel that the statement that was made in the General Assembly need not have been made, which he clarified to me and he said that well that was not his intention to take back all these issues to the United Nations. Well, in human affairs you have to take a total view. Sometimes things are said and done which need not colour, I think, the move forward. I propose to remain engaged with General Musharraf. If Pakistan really delivers on its commitment that infiltration will be effectively in control that will be a very positive development. I would applaud General Musharraf for his courage and determination if he does succeed in delivering on that.

Question (Mallik): There are some groups working in US, which are collecting funds for the so-called movement in Jammu and Kashmir. They are working here. There are some Congressmen and Senators supporting them. Have you discussed this with President Bush?

Prime Minister : I am sorry I did not have the chance to discuss this matter with anyone in the United States Administration.

Question (Kamalendra Kanwar): Are there any new confidence building measures in the offing?

Prime Minister : I think there are several things. They have been listed out in our statement of April 2005, which we jointly issued. The third round of the Composite Dialogue is about to begin. So, the agenda is all set out there. We will do all that we can to push forward the various confidence building measures. There are a large number of them listed in the statement itself.

Question (Chidananda Rajghatta): Mr. Prime Minister, you have said in the past that any solution to the Kashmir issue will not involve redrawing of the border. Does it remain your position? Do you expect Pakistan to accept that position and negotiate from there?

Prime Minister : Certainly, our position has not changed. Pakistan's position is for Pakistan to determine. What I do believe, I have also said that borders cannot be redrawn but we must work together to make borders irrelevant. Now, President Musharraf has said that it is necessary to reconcile these various positions – India's position that borders cannot be redrawn, Pakistan's position that they will not accept the Line of Control, and my proposition that we must work together to make borders irrelevant. I think it is the task of human ingenuity to find ways and means in which all these things can be reconciled. But there is no doubt, there is going to be no redrawing of borders.

Question (Nikhil Lakshman, Rediff.Com): Mr. Prime Minister, President Bush and you reviewed the progress of the July 18 Joint Statement. In your opinion, what more needs to be done to make the so-called transformed relationship irreversible between India and the United States?

Prime Minister: Well, I think things are moving in the right direction. The President is going to visit us early next year. We are engaged with the US Administration. So, things are moving in the right direction.

Question (Harihar Swarup): How will you describe your meeting with President Musharraf? Was it a movement forward or is it a backward movement or ?

Prime Minister : No, there is no backward movement. The Joint Statement reflects (that). It is a forward-looking statement, which commits our two Governments not to allow terrorism to impede the progress of the peace movement that we have launched. We will remain engaged. So, it is wrong to describe it as a reversal or a backward movement.

Question (Niharika Acharya, Voice of America): To go back to Iran, I just wanted to find out is India planning to go full steam ahead with the gas pipeline issue? Has the Bush Administration conveyed to you any kind of a timeframe within which the Congress is going to debate on this? Do you fear any slowing down on the part of the Bush Administration waiting to see how the Iran issue works out?

Prime Minister : I had no discussions with the Administration on Iran pipeline. Those are preliminary discussions, which will take place I hear. We are involved, Pakistan is involved, Iran is involved. I think feasibility studies have to be prepared. So, it is too early, I think, in the day to set precise dates when the pipeline project will take off.

Question : Mr. Prime Minister, you had an interaction with the CEOs of the American companies. Were there concerns expressed on your Government's crucial dependence on the Left parties for support and the speed with which you can implement what the corporate bodies would like? Was the remark about Atal Bihari Vajpayee in your discussion with Bush avoidable?

Prime Minister : Let me clarify this. Those were remarks made in the specific context of what is going on in the Parliaments of our two countries. I referred to it that soon after going back we had gone to Parliament and we have now the endorsement of Parliament. In passing though I said I was surprised at the opposition that former Prime Minister Vajpayee expressed in his statement even before I had reached home. There was no discussion in Indian Parliament. Just as the President mentioned that this matter has been discussed in the Congress, there is some opposition, but I remain committed to what we signed on 18th July. So, the remark that I made about Mr. Vajpayee was a casual remark. There was no intention on my part to discuss domestic politics in the United States. It was a casual remark.

Question : About the American corporates?

Prime Minister : The American corporates do recognize that we are a coalition Government. But their major concern was about India's infrastructure, that it needed to be upgraded power, roads, ports, airports and I agree with them. That is the concern, which I share. If India's growth ambitions have to be realized, then we have to upgrade the quality of our infrastructure both physical and social, education, health, in a maximum way.

Question (*New India Times*): inaudible (on Indian American community)

Prime Minister : The Indian American community could certainly play a very important role in persuading their Congressmen and Senators that what the Administration has done is the right thing, that if relations between India and the United States have to improve, then this restrictive regime that has been in place for the last three decades, which restricts India's options for the development of this nuclear energy programme for peaceful purposes, has outlived its utility. I sincerely hope that the Americans of Indian origin can play a very important role in this regard, and certainly in influencing the India Caucus also. As far as our lobbying is concerned, I hope the Embassy and all those connected with the India Programme will do whatever is necessary in this regard.

Note: The text in italics is translated from Hindi.



532. Media briefing by Official Spokesperson on External Affairs Minister's meeting with U.S. Secretary of State Dr. Condoleezza Rice.

New York, September 19, 2005.

External Affairs Minister, K. Natwar Singh had a cordial and friendly meeting with Dr. Condoleezza Rice, U.S. Secretary of State, at Waldorf Astoria in New York today.

The meeting was a follow-up to the meetings our Prime Minister had with President Bush on September 13 and with Condoleezza Rice on September 15. The External Affairs Minister and the Secretary of State reviewed recent developments on several multilateral and regional issues. The Secretary of State briefed EAM on the agreement reached in the six-party talks on the DPRK nuclear issue. They welcomed the landmark agreement which has led to the abandonment of the nuclear weapon programme of the DPRK and its return to the Nuclear Non-Proliferation Treaty. The agreement was testimony to the importance of relying on patient, multilateral efforts to resolve a difficult and complex issue.

The External Affairs Minister and the Secretary of State reviewed developments on the issue of Iran's nuclear programme and the consultations currently in progress at the IAEA in Vienna. The EAM conveyed the importance of engaging in intensive diplomatic efforts to evolve an international consensus on this issue. They agreed to remain in regular and close touch on this matter.



533. Press release issued by the Prime Minister's Office on the US President Bush's telephone call to the Prime Minister on the implementation of the July 18 Statement.

New Delhi, September 30, 2005.

The President of the United States of America, Mr. George Bush, called Prime Minister Dr. Manmohan Singh at 4.45 pm IST.

The two leaders reviewed the implementation of the July 18 India-US Joint Statement, and other bilateral issues and touched on developments in the region.



534. Press release of the Ministry of Science and Technology on the signing of the India-US Science and Technology Cooperation Agreement in Washington.

New Delhi, October 18, 2005.

India and USA have signed a historic agreement to foster Science & Technology Cooperation and to address global problems. The agreement was signed between Minister for Science & Technology and Ocean Development, Shri Kapil Sibal and US Secretary of State Ms. Condoleezza Rice in Washington yesterday. The cooperation is based on shared responsibilities and equitable contributions and benefits commensurate with the respective scientific and technological strengths and resources of the two countries. The agreement establishes the framework for dynamic and effective cooperation between organizations and individual scientists of the two countries. It delineates the guidelines for exchange of scientists and the sharing of IPR.

Speaking on the occasion, Shri Sibal welcomed the cooperation between the oldest and the largest democracies in the world and talked about benefits it would bring to mankind. He pointed out that Christopher Columbus set out to discover India 500 years ago and discovered America. Now after 500 years the USA is discovering the intellectual capacity and cultural values of India. He emphasized that India shared in her dream : "to

unite around a vision and policies that will spread freedom and prosperity around the globe.” He believed that the agreement was a great leap forward in realizing that vision.

Ms Condoleezza Rice acknowledged that the agreement was the culmination of the painstaking efforts of technical experts of the two sides and the personal involvement accorded by the Indian Minister . Highlighting the features of the agreement she recognized the intellectual prowess and the contributions of the Indian community in the advancement of US economy.

The agreement accords priority to collaborations that can advance common goals in science and engineering research and education, support partnerships between public and private research institutions and industry, and touch on such science and technology issues as: promotion of science-based decision-making, environmental and biodiversity protection, safe drinking water, watershed management, natural and social sciences, agriculture, marine sciences, energy, basic space sciences, climate, HIV/AIDS, infectious and chronic diseases, health and biomedical research, telemedicine, information and communication technologies, standards and metrology, sustainable development, and other mutually beneficial areas.



535. Joint press interaction by US Under Secretary for Political Affairs Nicholas Burns and Foreign Secretary Shyam Saran.

New Delhi, October 21, 2005.

Official Spokesperson (Mr. Navtej Sarna) : Good evening ladies and gentlemen, and welcome to this press interaction with visiting US Under Secretary for Political Affairs Mr. Nicholas Burns and Foreign Secretary Mr. Shyam Saran. We will first request Mr. Burns to make his opening statement, then Foreign Secretary will make his statement, and then there will be questions.MR.

Nicholas Burns : Good afternoon ladies and gentlemen. It is a pleasure for me to be back in Delhi. I want to thank Foreign Secretary Shyam Saran for his terrific hospitality to my delegation and to me today. We had a very good day and it has been a full day especially for those of us who arrived late last night after a long flight. We had a good discussion this morning about this new strategic partnership that we are building, India and United States together and it is a very strong partnership.

Before I go into the few words that I wanted to say about today, I wanted to, again on behalf of President Bush and the American people, extend the condolences of the United States to the victims in Jammu and Kashmir, to Indian victims as well as the Pakistani victims of the terrible earthquake. From the beginning, our country has tried to reach out and extend whatever assistance we could to the Indian victims. Our Ambassador and Embassy put forward 100,000 dollars to Indian and American non-governmental organizations. I would like to announce today that we will now contribute an additional 500,000 dollars to the Indian non-governmental organizations as well as some of the international organizations that are supplying relief aid to the victims and the families of the victims of the earthquake.

I would also like to say that my Government has been very pleased by the progress in building this relationship that Prime Minister Singh and President Bush began on July 18 in Washington DC. This for us is a historic turning point in our nearly sixty-year relationship with India. There has never been a period of time when our relations have been better, when our

consultations have been more expansive, and when the future has held a greater promise about cooperation between our countries.

We see India as a great power in the world. We seek a partnership with India whereby we can work together for peace and stability in the world, and work together to confront many of the challenges that we surely are going to face in the next forty to fifty years. On that basis, today the Foreign Secretary and I had a very good discussion about the July 18 agreement. You know, it is more than just a civil nuclear agreement. We now have joint ventures that the Prime Minister and President have asked us to undertake and to plan in the field of education, in agriculture, in science and technology, in space launch. We very much would like to welcome an Indian citizen to fly on our space shuttle so that our space programme can have the advantage of Indian expertise and Indian commitment. We have a very broad economic dialogue under way. Our Secretary of the Treasury would be arriving here shortly. United States Trade Representative Ambassador Portman will be here shortly. We have a new energy dialogue between our Governments. We have a CEO forum. We have a trade dialogue between our two Governments. In addition to that we have a new and very promising security relationship which Secretary Mukherjee and Defence Secretary Donald Rumsfeld enunciated last year.

So, what we have in essence is the development of a true, comprehensive, across-the-board engagement between the Governments of India and the United States and also the societies. There are more Indian students in the United States today than from any other country in the world - 85,000. There are two million Indian Americans in our country at least, who are building businesses in our country. They are running for political office, they are influential, and they are building bridges back to India from my country.

This private sector engagement as well as public sector engagement are creating the kind of relationship that will make India, we believe, in the period of years to come among the most important partners of the United States anywhere in the world. So, this morning we covered in exhaustive details, I think in about three hours, all of the joint venture initiatives that we have between our Governments.

This afternoon we spoke about the very important civil nuclear energy cooperation that my Government has committed to begin with the Indian

Government. This is a very promising agreement. We are working hard on it. As you know, in our country we are consulting with our Congress and briefing our Congress on the outlines of the arrangement.

Just this week the United States led the discussion at the Nuclear Suppliers Group in Vienna and we advocated that the Nuclear Suppliers Group now modify its practices that all the members would engage in civil nuclear cooperation, also they are willing, with the Indian Government. We look forward in the early part of 2006 to our Congress passing legislation in the United States that would allow our Government and our private sector to begin an international basis of cooperation with India as well.

We had a very good discussion of this issue. We went through all of the detail that you can imagine, and we look forward to the further discussions that we are going to have in the next couple of months.

Finally might I say that beyond the bilateral economic, scientific and educational cooperation beyond the civil nuclear arrangement, which is at the heart of our effort, we find an increasingly positive dialogue with India on the issues that concern this region. We, of course, are both democratic countries and we hope for peace and stability in this region. Both of us are working for democracy in Nepal. Both of us are working for stability in the other countries in this region. And, of course, my country hopes, as we look at India and look at Pakistan, for a progress in that relationship. But more importantly, in just this region we see India as a global partner. And so, tomorrow we will be discussing not only these regional issues but some of the global issues, promotion of democracy, combating HIV AIDS, seeking reform of the United Nations, these global issues that are so important to our partnership. So, we are very pleased to be here. We thank the Foreign Secretary and his colleagues for their hospitality. We look forward to a very productive relationship in the future. Thank you.

Mr. Shyam Saran : First of all, let me once again say how happy I am to be able to welcome my old friend Nick Burns again here in Delhi. I think this is his second visit in about four months and I am sure that there will be many more encounters to come. Really I do not find that I have very much to add to a very comprehensive assessment that has been given by Nick to you. We have had a very intensive dialogue this morning as well as this afternoon. In the morning we went through all the different items of cooperation which

were spelt out in the joint statement when our Prime Minister had visited Washington. As Nick said, perhaps the focus was so much on the civilian nuclear energy cooperation aspect that many of the other very important things that we had agreed to do perhaps did not find the same salience in terms of the public projection of our partnership. But each one of those items on our agenda is important. For example, we reviewed the progress that we have made on energy cooperation, a very key area for our interaction. There we have set up already the various Working Groups. We have identified what are the priority areas where we want to move ahead. The United States of America is the leader in terms of clean coal technologies. It is a leader in terms of coal gasification technology. There are a number of areas where there really is a great deal for us to be really working together on.

Similarly, we have reviewed the progress that we have made on our Global Initiative on HIV AIDS. I did convey to Nick our appreciation of the much faster approvals that are being given to Indian drugs, ARV drugs, by the Federal Drug Administration. This is very welcome in terms of the global initiative that we are talking about. We spoke about the Democracy Initiative and I brought to Nick's attention that our website 'The Virtual Centre for Democracy' is very much in progress. There is a lot of information about the kind of institution-building which is possible through training institutions in India. We spoke about how we can cooperate together in terms of such institution-building in a country like, say, Afghanistan. We may have a US-India interaction on the issue of federalism, for example. This is something that we can talk about.

We touched upon the very important area of our economic and trade interaction. As you know, we have a very high-powered CEO's Forum. That has been very active. They are working out certain recommendations to make to the Government, but also quite apart from recommendations they make to the Government, what they would be doing themselves in terms of promoting investment, promoting trade between the two countries.

We also reviewed the Agriculture Initiative. There we recalled how the United States of America had made a very major contribution to the 'Green Revolution' in India in the 60s. There was very close relationship between the universities in United States and our agricultural universities. We are trying to recreate, not only recreate but greatly expand that kind of

cooperation between the two countries, something which will have a direct impact on agricultural development in India, a very key sector for India. And US is a very important partner in that respect.

As you can see, there is a whole expanse that has been covered. I think we could have talked on and on about all these areas of cooperation. But I would like to give you a sense that really what we were trying to do was to see where we are at this point of time, looking forward to welcoming President Bush on his landmark visit to India sometime early next year. We would want that in each of these areas we have something in terms of deliverables, which we will be able to present to the leaders, and I think we are making good progress. That is what our assessment was.

I would also like to mention that we had a very good discussion on the Civilian Nuclear Cooperation Agreement between our two countries, during the afternoon. As you know, this is a complicated issue but what is more important is that both countries are fully committed to the implementation of this extremely important understanding which was reached between President Bush and Prime Minister Dr. Manmohan Singh in Washington.

I mentioned to Nick that in term of some of the responsibilities, which India has to carry out, we have delivered on some of them. The WMD legislation, the harmonization of our export control list with the NSG and MTCR, the fact that we are committed to working together with the United States of America in terms of new global standards for control on reprocessing and enrichment technologies being exported to third countries. As you know, India has unilaterally declared that it will not transfer such technologies to other countries. So, we are already conforming to, and becoming a partner in a global non-proliferation regime and we see ourselves, both United States and India, as partners in that effort. So, we believe that it will be possible for us, as Nick said, by the time the President comes on his visit to India we hope that we will have a very good agreement between our two sides, an implementable agreement between our two sides on this very important question.

This has been a very productive visit by Nick. We enjoyed having him here and exchanging views with him. We look forward to having another very exhaustive session tomorrow on a number of regional and international issues.

I will conclude by extending our thanks to the United States Administration for the fresh assistance that has been announced by Nick this evening. This is a very friendly gesture on their part. We deeply appreciate the sympathy and concern which has been conveyed to us at the level of the President and the Secretary of State. I also welcome the words of sympathy that we have heard today from Nick himself.

Thank you very much.

Question (Saurabh Shukla, *India Today*): Mr. Burns, there is sense here that Civilian Nuclear Cooperation Agreement for extending assistance to India is also linked somehow to India slowing down their Iran pipeline project. What is your view on that? Is it linked at all?

Mr. Nicholas Burns : The Prime Minister and the President are the ones who made the agreement back on July 18 very specific. I brought it out today and just reread it myself. It is a very simple statement. It expresses the intention of both Governments to work towards full civil nuclear energy cooperation. It lists the responsibilities of the United States and the obligations of the United States to India to make this happen. And it lists the obligations of the Government of India. That is the agreement. I know that both sides will fulfill the obligations that we have to each other and when those obligations are fully in place then the agreement will be in force and will see a new future of civil nuclear energy cooperation between our countries. No other issue is associated with it. It is very important as we go along here that we meet the commitments we have made to each other, and that we not move the goalpost or - as we say in American English - raise the bar.

Now having said all that, and I hope that is very clear to you, we also obviously have a discussion underway with the Government of India on a wide variety of issues. We agree on nearly all the issues we discuss, and sometimes we disagree which is not uncommon between two large democratic States. I think Secretary Rice has spoken before. You have asked her when she was here in Delhi, a question about Iran and the pipeline. I know I have spoken about it before. We know that this is something that has not yet been completed. We know it is in essence hypothetical. So I can leave it to my friend Shyam Saran to speak to that part of the question, not me.

Mr. Shyam Saran : I think you directed the question to him. You did not ask me.

Question : Mr. Burns ...Government of India ...

Mr. Nicholas Burns : As I said before, actually we have not even had a discussion today about this because we are discussing regional issues tomorrow. So, since we do not have a press conference tomorrow, I am very sorry we would not be able to answer your questions on this issue. But, I think we have been clear in the past. we understand that this is something that has been talked about, but there has been no agreement between the Governments. So, it would not be appropriate for me to react to something that has not happened.

Question : What are your views on Iran and the upcoming vote ... (Inaudible)... Are you going to watch India's voting behaviour if it comes to voting on November 24? And what happens, if India abstains or does not vote for the Resolution this time?

Mr. Nicholas Burns : Well, the first thing that I learnt when I was a State Department Spokesman ten years ago is - never answer hypothetical questions but you are asking hypothetical questions here today.

But, let me give you a serious answer. What do we think about Iran? We are concerned about the attitude and the behaviour of the Government of Iran. Iran is a State trying to build nuclear weapons capability. I do not think there is a single country in the world that wants to see Iran acquire nuclear weapons. You will notice at the IAEA vote in September that Russia, China, Brazil and South Africa abstained. They did not support Iran in that vote. That probably came as somewhat of a surprise to the Iranian Government. The only country they had voting (against the Resolution) was Venezuela. And if you have only got Venezuela on your side and you have the rest of the world not agreeing with where this country Iran is heading in terms of its nuclear future, then the Iranians must feel fairly isolated and fairly alone in the world these days. Our belief is that Iran should come back to negotiations. They unilaterally abrogated the negotiations with the European Three in August. The European Three was negotiating in good faith. There is still a possibility for Iran to sit down with the European countries and seek a diplomatic solution to this very important problem. Our advice to

the Government of Iran is to do that. Come back to negotiations and resolve this issue by peaceful and diplomatic means.

But Iran is a country that most of the world believes, is trying to create a nuclear weapons future. It is also a country that is the leading supporter and funder of the major terrorist groups in the Middle East - the groups that are in action in Israel, in the Palestinian territories and in Lebanon. As a country devoted to counter-terrorism worldwide, we are extremely concerned about Iranian behaviour. Our Secretary of State has spoken about also the very unhelpful Iranian behaviour in Iraq, specifically concerning support to terrorist groups there. ...inaudible...and we believe that the best route forward is negotiations.

Now, if Iran does not come back to negotiations, then there is every reason to believe that there will be a vote in the IAEA Board of Governors on November 24. There is majority that already exists. There are countries from Africa, Asia, Latin America, Europe and North America that have voted to find Iran not to be in compliance. That is a fairly sizeable and widely spread sense of the international opinion on Iran.

Question (Amit Baruah): My question is addressed to Mr. Shyam Saran. In Parliament in the end of July our Prime Minister said that before voluntarily placing our nuclear facilities under IAEA watch, we will ensure that all restrictions on India will be lifted. In your discussions today, did this point come across? What is our position? When will we separate or go to the IAEA with our civilian and military nuclear facilities? Will it be before implementation of the ...

Mr. Nicholas Burns : I think I have even earlier answered this question that you have raised at an earlier press conference and I said that there is a Joint Working Group which has been set up to precisely work out the practical modalities through which the understanding which has been arrived at between the President of the United States and the Prime Minister of India are going to be implemented. Now, what we had this afternoon was the first, initial exchange of views on precisely looking at those modalities. What I can tell you is that those modalities are within the very clear parameters which have been set out in the Joint Statement of July 18. I think it is very clear what the commitments on the US side are and what the commitments on the Indian side are. Today we confirm that we will work

out the modalities within those parameters, and we will be looking at precisely what are the kind of modalities that we need to put in place.¹

What we had today was an initial exchange of views on those modalities. We sought certain clarifications from the American side and the American side also asked for clarifications on our side. Now what we will be doing is, we will be taking these back and reflect upon them and very soon we will be coming back, in another meeting of the Joint Working Group, to take this discussion further.

Question (Indrani, *The Times of India*): We have seen reports that senior Senators and Congressmen are opposing the Civilian Nuclear Agreement ... How content are you in the Administration that you will be able to carry it to the next stage in the Congress?

Mr. Nicholas Burns : Let me tell you that our Administration is fully committed to the agreement that our President signed with Prime Minister Singh. We believe it is an agreement that is beneficial to the United States as well as to India, and we intend to carry it out in full. We have been talking to members of Congress since the afternoon of the agreement. The agreement was signed on July 18. We have had extensive conversations in our House of Representatives as well as our Senate. I believe that there is significant support for the agreement on Capitol Hill.

It is also true - there are more than 500 members of our Congress - that there are some members and some staff members who have doubts about it. There are some who are opposed. We are a democratic country as is India. So, you recognize this in a national debate on an important issue. But, as more and more information is produced about the actions of my Government and the Indian Government as we carry out the agreement, I am convinced that our Congress will support this. Our hope is, when President Bush visits India, and he is looking forward to it very much, in the early part of 2006 we will have made sufficient progress so that this agreement can be put into place. That is our hope and it is our expectation.

I agree Shyam, we had an extensive and a very detailed conversation

1. On December 11 Prime Minister Manmohan Singh told fournalists accompanying him on his flight to Kula Lumpur for the East Asian Summit that the exercise separating India's civilian and military nuclear facilities was at a fairly advanced stage." The two groups were set up - one in India and the other in the United States - to discuss the implementation of the July 18 civilian nuclear deal with the U.S. The groups were "interacting."

today about a very complex issue and I think it was a good conversation. We will go on from here and we will make this work.

Question (Ranjit Kumar, *Navbharat Times*) : ... The Nuclear Suppliers Group has postponed its meeting till the next ... Do you think it will come in the way of implementation of this agreement?

Mr. Nicholas Burns : You are right to point to the importance of the Nuclear Suppliers Group. One of the obligations we have is to put in place a change in American law that will allow this civil nuclear energy cooperation. A second obligation, the commitment that we made to the Indian Government, would be to advocate within the Nuclear Suppliers Group a similar action by that body. We had a very good first meeting two days ago. As I said, the United States sent two Assistant Secretaries of State - Christina Rocca and Steve Rademaker, to present the American position. We feel that it was favourably received by many members of the Nuclear Suppliers Group. Others, of course, had questions. The next regularly scheduled meeting is in May but we can call a meeting as a member at any time. As soon as that becomes logical, we will be happy to do that. So, I do not expect this to be an impediment to the bilateral cooperation that the United States and India have undertaken.

Question (Nair): Mr. Burns, ... the Press Secretary of the White House said that this agreement with India on nuclear cooperation is based on a realistic assessment of things and a commitment by India to abide by certain restrictions. Does that include anything other than what has been stated in the Joint Statement between the Prime Minister of India and President of America?

Mr. Nicholas Burns : No, it does is not. We are very clear in our Administration. I am here speaking on behalf of President Bush and Secretary Rice. Ambassador Mulford is here everyday as our Ambassador, to do the same thing. Both of us understand that this agreement has not changed. Take it out and read it tonight. What the United States said we would in that agreement we will do and we are not adding any conditions that we expect the Indian Government to meet. We had this conversation today and I assured my friend Shyam that we Americans will meet the obligations we have undertaken.



536. Media briefing by Official Spokesperson on the visit of US Under Secretary of State Nicholas Burns to New Delhi.

New Delhi, October 22, 2005.

Official Spokesperson: On the visit of Mr. Nicholas Burns. Foreign Secretary Shyam Saran and US Under Secretary of State, Mr. Nicholas Burns, continued their talks today this morning at the Ministry of External Affairs in South Block. The talks covered a number of regional issues, such as the situation in South Asia, recent developments in Asia-Pacific, the Gulf and Central Asia.

Under Secretary Burns called on Shri Natwar Singh, Minister of External Affairs, in South Block, later in the morning, and conveyed to him the greetings of Secretary of State, Condoleeza Rice. He briefed the Minister on the progress achieved on the several items of Indo-US cooperation included in the Joint Statement of July 18, 2005. The External Affairs Minister emphasized the need to tie up any loose ends before the forthcoming visit of President George Bush to India. He said that a very warm welcome awaited the President.

Under Secretary Burns conveyed to the External Affairs Minister the commitment of the US Administration to implement the Indo-US understanding on civilian nuclear cooperation on the basis of the reciprocal obligations assumed by the two countries in the July 18 Joint Statement¹.

1. Reacting to the reported remarks of the State Department Spokesman that separating its civilian and military nuclear facilities was one of the "preconditions" for the agreement being presented to the US Congress, the Spokesperson Navtej Sarna said in New Delhi on October 27 that a joint working group was working out the modalities of implementing the July 18 civil nuclear agreement with the United States. On remarks made by some US Congressmen on October 26 asking for transparency on the deal, the Spokesperson said that that was a demand made of the Bush Administration; "so the question should be addressed to the U. S Administration." On October 28 Chairman of the Atomic Energy Commission Anil Kakodkar said that classification of Indian nuclear installations as military and civilian was not an easy task. "There is a degree of reciprocity and phased implementation and we have to keep our long-term strategic interests in view," he said. Mr. Kakodkar was speaking to journalists after addressing scientists and engineers of the Bhabha Atomic Research Centre (BARC) on the occasion of its Founder's Day 2005. Dr. Kakodkar said that while harnessing foreign civilian nuclear cooperation, India would like to maintain its self-reliance and energy independence by having a larger share of atomic fuels from the indigenous sources. Meanwhile a Reuter report quoting a U. S. official close to the Bush Administration from Washington suggested on November 23 that "Under Secretary of State R, Nicolas Burns,

Question: Was the Iran pipeline issue discussed today?

Answer: No.

Question: Was the issue of security discussed? Did Mr. Shyam Saran raise the issue of supply of F-16s to Pakistan?

Answer: Well, the situation in South Asia was discussed. I am afraid I do not have any more details on the discussions that I could share.



U. S. negotiator on the nuclear deal had presented Indian officials in September with a blueprint suggesting how the Americans might go about separating the Indian nuclear facilities. But the Indian gave it back saying they could do it themselves." Foreign Secretary Shyam Saran when informed of this said; "I have received no blueprint from the Americans." Indian media quoted official sources to assert that "No body has the *locus standi* (to suggest) as to how we take (our strategic nuclear programme) forward" and the separation of civilian and military nuclear facilities was "our responsibility" which would be carried out on the basis of reciprocity. The Indian sources further added: "We (need to) only tell the International Atomic Energy Agency" as to which are the civilian nuclear facilities. Suggesting that the "buck" would indeed stop at India's strategic programme, the source quoted by the media observed that the strategic component of New Delhi's nuclear programme was the "red line" and that determining that was "our business". "The joint statement will be the template" the sources explained and went on to state that there was "recognition" and an "acknowledgement" by the United States that separation of nuclear facilities was "complicated, expensive and it will have to be done in a phased manner". Reserving New Delhi's right to exercise its discretion in the matter of designating nuclear facilities as civilian India would negotiate and sign the additional safeguards agreement with the IAEA irrespective of what some might have to say or the ideas they might have to peddle. New Delhi also observed that the National Security Council and the Department of Atomic Energy were currently engaged in drawing up a credible and transparent separation plan as has been sought by Washington and which, was articulated by U. S. Under Secretary of State Burns in the first joint working group meeting with Foreign Secretary. To end the controversy the United States clarified to the Press Trust of India in Washington on November 25 that "We haven't given a plan on how India should separate its civilian and military (nuclear) facilities."

537. Media briefing by Official Spokesperson on telephonic conversation between External Affairs Minister and US Secretary of State.

New Delhi, November 3, 2005.

- US Secretary of State Condoleezza Rice called Shri K. Natwar Singh, External Affairs Minister today and expressed her anguish and sorrow at the loss of innocent lives during the bomb blasts¹ in Delhi.
- External Affairs Minister thanked her and expressed his appreciation of her gesture.



538. Press release on the signing of the Cooperation Framework Agreement between the Government of India and the United States Trade and Development Agency.

New Delhi, November 9, 2005.

Joint promotion of economic development was the subject of a Cooperation Framework Agreement between the U.S. Trade and Development Agency (USTDA) and India's Ministry of Finance that was signed today. The agreement formalizes USTDA's program with public sector entities in India and covers activities such as project preparation, trade capacity building, investment analysis, training, and sector development. Such activities will foster India's economic ties with the U.S. public and private sectors and support key bilateral initiatives, such as the U.S.-India Economic and Energy Dialogues.

The agreement was signed during the U.S.-India Financial and Economic Forum, as part of U.S. Treasury Secretary John Snow's visit to India. U.S. Ambassador to India David C. Mulford and India's Ministry of Finance Secretary Ashok Kumar Jha signed the framework agreement on

1. There were a series of bomb blasts in the capital city of Delhi on October 29 in which several persons were killed. The blasts took places on the eve of an important Indian festival of Deepawali when the markets were crowded with festival shoppers.

behalf of the U.S. and Indian governments, respectively. USTDA Director for Policy and Program Geoffrey R. Jackson was present at the signing.

Today's signing of the Cooperation Framework Agreement will facilitate the coordination of USTDA activities with the Indian public sector, providing a mechanism for Ministry of Finance review and approval of new activities. Having the agreement in place is expected to speed the Indian Government's review and approval process of proposed activities, thereby facilitating the start of new initiatives in a broad range of key sectors, including energy and power, water, environment, and transportation. Currently under review are technical cooperation projects with GAIL, Limited and Neyveli Lignite Corporation, Limited, involving gas transport and coal mining, respectively.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, feasibility studies, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.



539. Joint Statement issued at the end of the India - U.S. Financial and Economic Forum meeting.

New Delhi, November 9, 2005.

At the invitation of Indian Finance Minister P. Chidambaram, U.S. Treasury Secretary John W. Snow led an official delegation to India to co-chair the India-U.S. Financial and Economic Forum, which is part of the broader U.S.-Indian Economic Dialogue. The delegations discussed a number of key issues, including fiscal and tax policies, U.S. and Indian efforts to accelerate the WTO Doha Round negotiations, strengthening India's infrastructure, and collective efforts to combat money laundering and the financing of terrorism.

Besides senior officials from the Ministry of Finance, DEA, Government of India and the Department of Treasury USA, representatives from the Board of Governors of the Federal Reserve, Securities and Exchange Commission, U.S. Trade and Development Agency, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority, PFRDA, and the Ministries of Commerce and Industry, Consumer Affairs and External Affairs participated in the discussion.

The U.S. delegation expressed condolences for the tragic October 29 terrorist attacks on Delhi.

In the official meeting, the discussions focused on the following:

Macro-economic Issues

The two sides discussed a variety of issues that affect global growth. They noted that global economic performance remains sound, despite the impact of rising oil prices. In India, the growth outlook appears favorable. In the United States, economic conditions remain solid, despite the aftereffects of recent hurricanes. Nonetheless, both the sides noted several potential risks, including the impact of energy prices, the tightening of financial market conditions, and uneven growth in many parts of the world.

Both sides pointed to the need to maintain global growth while reducing global current account imbalances. They noted that major economies have a shared responsibility to implement policies to reduce these imbalances. In this connection flexibility in exchange rate regime

becomes crucial. The U.S. side affirmed its commitment to reduce its fiscal deficit and to increase domestic savings. Though the hurricane relief and recovery efforts are likely to raise the budget deficit in the short term, the deficit outlook over the medium to long range is for steady declines due to tight controls on discretionary spending and continued strong economic growth. The Indian side affirmed its intention to pursue policies to maintain strong overall demand.

Financial Sector and Infrastructure Issues

The delegations discussed India's efforts to strengthen its financial system, lower the costs of financial intermediation and increase access to finance for agriculture, small businesses and the poor. Both sides noted the importance of having a strong insurance and pension sector in order to increase long term savings and the availability of long-term financing. Indian officials emphasized their key priorities for financial sector reform, including expansion of financial services to poor and enhancing private sector capabilities. The delegations agreed to arrange further consultations to share experience and expertise on these issues.

Indian officials emphasized their commitment to infrastructure development as a means of reducing poverty and expanding economic opportunities. While public investment in infrastructure will be augmented, the delegations discussed ways of encouraging more private financing for infrastructure projects. The Indian and U.S. sides agreed that a stronger investment climate would encourage more U.S. private sector firms to invest in Indian infrastructure development. Both sides underscored the importance of an effective dispute mechanism that will give greater confidence to investors.

International Cooperation

The two sides reiterated the importance of actions to identify and combat terrorist financing and money laundering. They reaffirmed their intention to implement the recommendations of the Financial Action Task Force (FATF) designed to prevent the abuse of financial systems, and they agreed to work together to identify and freeze terrorists' assets.

Both sides agreed to continue technical cooperation in the area of currency security, including detection and enforcement. Preventing the

counterfeiting of national currencies is part of the fight against financial crimes and important to maintaining the integrity of the financial system.

India and the United States stressed that a successful conclusion of the WTO Doha Development Round negotiations is essential to promote global trade and growth. They agreed that a satisfactory outcome on agriculture negotiations, as well as services, would be crucial in this regard. They urged for progress at the upcoming Hong Kong Ministerial. DEA Secretary Ashok Jha and Ambassador D. Mulford signed a cooperation framework agreement that will facilitate U.S. Trade and Development Agency projects in India.



540. Joint Statement issued at the end of the inaugural session of the India - US Trade Policy Forum.

New Delhi, November 12, 2005.

The Minister of Commerce and Industry of India Shri Kamal Nath and U.S. Trade Representative Ambassador Rob Portman co-chaired the inaugural session of the India - US Trade Policy Forum in New Delhi on November 12, 2005. The Forum meeting was preceded on November 11 by a full day of intensive consultations between senior officials drawn from concerned departments from the two countries.

The establishment of the Trade Policy Forum was announced during the visit to U.S. in July this year by Prime Minister Dr. Manmohan Singh. It is designed to expand bilateral trade and investment relations between India and the United States. Multilateral issues such as the ongoing Doha Development Round negotiations also were featured in the Forum. The Trade Policy Forum will be part of the overall Economic Dialogue between India and the United States.

The agenda for this first meeting of the Forum included discussions on Tariff and Non-Tariff Barriers; Agriculture; Investment; Services; Intellectual Property; and the Doha Round.

Discussions on all these issues took place in a constructive spirit. Both sides emphasized information gathering in this first meeting of the

Forum. Each side sought a clearer understanding of the other's policies in the areas covered by the agenda.

After reviewing bilateral issues of interest to each side in these areas, Minister Nath and Ambassador Portman agreed on a series of next steps with a view to facilitating and promoting greater trade and investment flows between the two countries. The two sides agreed to establish focus groups on Agriculture, Tariff/Non-Tariff Barriers/Services, Investment and Innovation & Creativity, that will meet on a regular basis, functioning under the supervision of the Forum vice-chairs Commerce Secretary S.N. Menon and Deputy U.S. Trade Representative Ambassador Karan Bhatia.

Concerning the Doha Round, both sides expressed the hope that the wide gaps in the negotiating positions of WTO members can be narrowed. As the Hong Kong Ministerial approaches, renewed energy and commitment will be needed to bridge these gaps. Both sides agreed that this challenge should not lower the ambitions for the Round and they looked forward to the successful completion of the Round by the end of 2006.

The next meeting of the Trade Policy Forum will take place in 2006 in Washington DC.



541. Press release of the Embassy of India on the seventh meeting of the India - US Defence Policy Group.

Washington (D.C), November 23, 2005.

The seventh meeting of the India-US Defence Policy Group (DPG) was held in Washington, DC on November 21-23, 2005. The meeting was co-chaired by Under Secretary of Defense for Policy Mr. Eric. S. Edelman and Defence Secretary Government of India, Mr. Shekhar Dutt. Defence Secretary Shekhar Dutt also called on Secretary of Defense Rumsfeld and held meetings with Under Secretary of Defense (AT&L) Kenneth Krieg and Deputy National Security Advisor Dr. J.D. Crouch.

The DPG included an intensive exchange of views on the international strategic and security situation and on the further development

of bilateral defence cooperation as envisaged under the Defence Framework agreed to between US Secretary of Defense Donald Rumsfeld and the Indian Minister of Defence Mr. Pranab Mukherjee on June 28, 2005 in Washington, DC. Both countries view their bilateral defence cooperation as an important facet of the India-US global partnership, reflected in the India-US Joint Statement of July 18, 2005.

The DPG reviewed the reports of the four sub-groups - Military Cooperation Group, Joint Technology Group, Senior Security Technology Group and Senior Technology Security Group and the Defence Procurement & Production Group (DPPG). The newly constituted DPPG held its first meeting in Washington, DC on November 18-21, 2005 and discussed ways to strengthen cooperation in the field of defence supplies as well as industrial and technological cooperation between USA and India.

Both sides emphasized the importance of service-to-service ties. In this context, they took note of the series of successful joint exercises between the armed forces of both countries including the recently held "Cope India 2005" exercise between November 7-17, 2005. The DPG also included a policy-level dialogue on the global strategic and security situation.



542. Remarks by Foreign Secretary Shyam Saran at the opening session of fourth India-US High-Technology Cooperation Group meeting.

New Delhi, November 30, 2005.

I am delighted to join all of you at this opening session of the Fourth Indo-US High-Technology Cooperation Group meeting. I extend a special welcome to my US counterpart and co-chair, Under Secretary David McCormick, who has only recently assumed this responsibility. He is no stranger to India and we can all profit from the experience and enthusiasm that he brings to bear from his earlier private sector incarnation. He is leading an impressive delegation from the US Government as well as of the US industry for what I am sure will be a productive meeting between us. At the outset, it would be appropriate for me to recognise the organisations that

have contributed to the industry segment of the HTCG. I would like to express our collective appreciation to Mr. Srinivasan of CII, Dr. Amit Mitra of FICCI and Mr. Ron Somers of USIBC, all of whom are on the dais with me today.

2. The fourth meeting of the HTCG takes place in very positive circumstances. Since November 2004, when we last met in Washington, a number of developments in our bilateral ties have created fresh opportunities for cooperation within the Forum. A major step forward was the successful conclusion of the Next Steps in Strategic Partnership (NSSP) initiative that was announced during Prime Minister's visit to Washington in July 2005. The NSSP enabled us to put in place a regulatory framework for promoting strategic trade and high-technology commerce by addressing concerns of liberal and predictable licensing on the one hand, and technology security and export controls on the other. Among the various results of the NSSP were the removal of many Indian organisations from the Entity List, delicensing of certain categories of dual-use items, institution of a presumption of approval policy in other categories and direct cooperation in developing, producing, marketing and operating commercial satellites. These policy changes were facilitated through the upgradation of India's export controls, reflected in the passage of legislation on that subject in May 2005, that underlined India's credentials as a secure and responsible destination. We have improved preventive enforcement capabilities, conducted outreach programmes and embarked on technical exchanges in support of our export control goals.

3. The Prime Minister's visit to Washington also witnessed a number of other understandings that, directly or indirectly, impinge high-technology trade. The decision of our two Governments to resume full cooperation in civil nuclear energy has opened up new avenues for commerce in this important area. We are currently engaged in the process of implementing this understanding and I am confident that we will have progress to report in the coming months. Civil nuclear energy is one component of a larger energy dialogue between India and USA that began in May 2005, covering oil and gas, clean coal technologies and non-conventional energy sources. The nuclear agreement has a larger implication for our high technology trade as it is premised on US recognition of India's impeccable record in non-proliferation. It not only recognises that non-proliferation is better served with India as a partner, but also sends a clear message that India cannot be a partner and a target of technology denial regimes at the same time.

4. In regard to space cooperation, the mechanism of a dedicated working group has enabled us to move forward. This meeting of the HTCG would start our discussions on the conclusion of a Indo-US space launch agreement. We are also close to finalising the acceptance of US payloads on our Chandrayaan mission. With a new licensing regime in place as a result of NSSP, our space industries can work together across a broader agenda. A third follow up from the Prime Minister's visit was the conclusion in October 2005 of an Science & Technology Framework Agreement with an IPR protocol that will allow collaborative research and joint development between our scientists. This will encourage the commercial benefits of our scientific collaboration to manifest themselves more strongly.

5. The pace of cooperation in defence technology has also been encouraging. Following the New Framework of Defence Relationship that was agreed to in June 2005, we are currently exploring contours of cooperation that include technology transfers, co-production, joint development and collaborative research. The first meeting of the Defence Procurement and Production Group earlier this month is a welcome step in this direction. Indian skills and comparative costs make themselves felt in defence applications of high technology as well and Indian companies can become active participants in the global supply chains of major defence vendors. In parallel, there are efforts underway to foster the growth of an Indian private sector in defence. Partnerships and investments encouraged by our offset policy may be expected to contribute to that trend. I am particularly glad that a private sector working group, as proposed by the November 2004 meeting, has been established and is functioning vigorously.

6. The report card for the bio-technology segment of HTCG is also positive. We have had three significant industry events under the aegis of HTCG since November 2004. This is an area with considerable potential for growth and I believe that information sharing, exchanges of best practices and capacity building will serve our mutual interest. Discussions over the next two days should address concerns in the fields of patent protection, commercialisation of research, export control, transgenic agriculture and clinical trials.

7. In nano-technology, we have consciously decided to allocate a dedicated session at this HTCG in order to bring out the collaborative possibilities in research in both countries that would also advance our own

national capabilities in India. An Indo-US Joint Centre on Nano-Structured Materials was established in July as an example of public-private partnership. I am confident that the deliberations today will lead up to industry events scheduled for early 2006. Nano-technology is a particularly complex challenge that raises a host of issues ranging from their application also to their ethics. In a country like India, the developmental implications of nano-technology cannot be neglected.

8. Information technology remains the front-runner of our quartet in HTCG. Industry interaction has become increasingly self-sustaining and has begun to be a valuable input into policy formulation. HTCG deliberations are also supported by parallel processes at work in the Indo-US Cyber Security Forum.

9. It is no accident that the vast majority of initiatives that were unveiled during Prime Minister's visit to Washington had a technology character and were knowledge-based. This is reflective of the changing nature of ties between India and the United States. Authoritative studies have indicated that by 2020, we will probably be two of the three largest economies in the world. Our partnership is expected to benefit not only from shared values and similar practices but equally from our ability to complement each other. The linkages and interactions between the knowledge-enabled aspects of our economies will only acquire greater significance with time. This imparts a particular responsibility to the working of the HTCG as it is our mandate to chart forward directions in this field. I would submit that for the initial phase, we have largely fulfilled our regulatory responsibilities and created an enabling structure for high-technology commerce to expand. Our focus should now be on promotional and outreach activities design to ensure that industry takes full advantage of the opportunities that we have created for them.

10. Our deliberations at this forum must be evaluated against the backdrop of the transformation in Indo-US relations currently underway. Prime Minister's visit in July this year was a defining event and the resulting bilateral dialogue architecture testifies to the deepening of our engagement. Since then, meetings of our Financial and Economic Forum as well as the Trade Policy Forum, both at Cabinet levels, have taken place. The Defence Policy Group has just completed a very productive meeting. Our Energy Dialogue has gathered pace and we will shortly be reviewing the progress

of our Economic Dialogue. The newly established CEOs Forum is also at work, hard at work I am told, likely to produce its recommendations early next year. The Working Groups on nuclear and space cooperation will be meeting in the coming weeks. The Knowledge Initiative in Agriculture has also begun to take shape. Our expectation is that by the time President Bush visits India, hopefully in the next few months, these initiatives would illustrate the benefits of our strategic partnership and demonstrate their centrality to India's growth and progress.

11. I thank you all for participating at this event today and look forward to hearing the reports from the industry breakout sessions at the conclusion of the day.



543. Joint statement issued at the end of U.S.-India talks on High Technology Commerce.

New Delhi, December 1, 2005.

The fourth meeting of the U.S.-India High Technology Cooperation Group (HTCG) was held on November 30-December 1, 2005 in New Delhi, India. India's Foreign Secretary Shyam Saran and U.S. Under Secretary of Commerce for Industry and Security David H. McCormick co-chaired the meetings. The government-to-government meetings on December 1 were preceded by a public-private forum on November 30, which provided an opportunity for U.S. and Indian companies to recommend measures for enhancing bilateral cooperation in nanotechnology, biotechnology, and defense trade. The Government session had apart from the plenary session, a session on strategic trade and break-out sessions on Information Technology, Bio-technology, Defence Technology, and Nanotechnology.

The HTCG was formed in 2002 to provide a standing framework for facilitating and promoting U.S.-India high-technology trade and building confidence for trade in sensitive items. The fourth meeting of the HTCG took place against the backdrop of landmark understandings reached as a result of discussions between President George Bush and Prime Minister Dr. Manmohan Singh on July 18, 2005. Foreign Secretary Saran and Under

Secretary McCormick noted the important follow up decisions taken since the visit and agreed on the importance of forging a global partnership between the two countries. It was also noted that the completion of the Next Steps in Strategic Partnership (NSSP) lays the foundation for future cooperation in the areas of civil space, civil nuclear power, and high technology trade.

Foreign Secretary Saran welcomed Under Secretary McCormick as the new US Co-chair of the HTCG. Under Secretary McCormick stated that he was confident that the discussions provided an excellent foundation for moving the HTCG forward. During their discussions, Foreign Secretary Saran and Under Secretary McCormick agreed to take concrete steps to make the HTCG more “results-oriented,” expand the public private partnership by addressing their legitimate concerns, evolve strategies to ensure that licensing could become more efficient, transparent and predictable for India, and to focus on key trade sectors that are affected by tariff and non-tariff trade barriers. Building on the recommendations provided by Indian and U.S. industry the previous day, the two delegations agreed to a detailed action plan that will further promote high-tech cooperation.

The HTCG also included a dialogue on strategic trade and export controls in which both delegations reviewed recent developments in their export control policies and procedures. The United States applauded India’s recent developments to strengthen its export control system and underlined the importance, on both sides, of continuing to implement steps that promote high technology cooperation. Both countries also underlined the need to concentrate on promotion and outreach activities and pledged to work together to organize events in both countries geared to these objectives.

The Co-chairs noted the positive contribution of the HTCG process for high technology commerce, recognizing in particular:

- Only 1% of US exports to India require a license and over 90% of licence applications were approved in FY 2005
- Processing time for dual use application has dropped by 25% to 34 days on average
- More than half the value of controlled dual use trade to India no longer requires a licence as a result of NSSP implementation, and

trade in high technology items is expected to significantly expand in the coming years.

- Increased private sector interaction with the two governments, including industry events under HTCG auspices and outreach activities targeting business communities in both US and India. This has helped in promoting bilateral high technology trade.
- The contribution of the private sector Working Group on defence technology, which has helped in better understanding and in forging bilateral cooperation in this sphere.

The two delegations agreed to hold another meeting in 2006 and stressed the need to implement the action items developed during the sector-specific breakout sessions as soon as possible.

The U.S. Government delegation included representatives from the relevant departments and organizations, including the Departments of Commerce, State, Defense, and Health and Human Services, the National Science Foundation, and the National Aeronautics and Atmospheric Administration. The Indian delegation included representatives from the Ministries of External Affairs, Commerce, Defense, Information Technology and Science and Technology, the National Security Council Secretariat, Department of Atomic Energy, Department of Biotechnology and Department of Space.



544. Joint press briefing by Foreign Secretary Shyam Saran and US Under Secretary for Commerce David McCormick at the conclusion of 4th Round of Indo-US High Technology Cooperation Group meeting.

New Delhi, December 1, 2005.

Official Spokesperson (Mr. Navtej Sarna): Good evening ladies and gentlemen. Let me welcome you to this press interaction at the conclusion of the fourth round of the High Technology Cooperation Group co-chaired by Foreign Secretary Mr. Shyam Saran and Mr. David McCormick, Under Secretary for Commerce of the United States. We will first request the Under Secretary for Commerce to kindly make his opening remarks.

Mr. David McCormick: Thank you.

Thank you Mr. Secretary, for your kind hospitality for what I think has been a very productive several days here, first with the industry-to-industry discussion at the High Technology Cooperation Group yesterday and the Government-to-Government dialogue today. We have had the opportunity to review the really extraordinary progress that has been made over the last several years through the High Tech Cooperation Group, and also, and I think perhaps more important to talk about the future, in how we can continue to build on the momentum from the joint announcement and continue to focus on the High Tech Cooperation Group agenda on the very important opportunities in high-tech cooperation between India and the United States.

Since the High Tech Cooperation Group was started in the late 2002, the India-US bilateral trade has grown by about 20 per cent per year. The US exports to India have doubled from roughly four billion dollars in 2002 to roughly eight billion dollars in 2005. Trade in dual use items has grown close to 300 million dollars. Trade in controlled munitions has been about a billion dollars over that three year time period. So, (there has been a) significant expanded growth in the trading relationship.

This is the fourth High Tech Cooperation Group meeting. This is, of course, my first as the new Under Secretary. But having had a chance now to review the progress, the particular progress in the last year is quite impressive. As of today, only about one per cent of US exports to India

require a licence. So, they are in fact controlled, only one per cent of that roughly eight billion dollars that I mentioned. The process time for those licences has been reduced by 25 per cent in the last year or so to roughly 34 days. During that same time period the approvals for the licences that are submitted were about 90 per cent. So, we clearly have a trend here. We are making significant progress in dual use technology being exported to India. More than half of the value of the controlled dual use trade in India no longer requires a licence. We see, not only in this most recent set of meetings but also in a number of measures in a variety of ways, continued private sector interaction across the key areas that are the focus of the High Tech Cooperation Group to include defence trade, to include biotechnology, information technology and nano-technology.

So, I think from these several days we have much to do, much opportunity for continuing to push the agenda forward and much to be proud of in terms of the progress made today.

Again, thank you Mr. Secretary, for your hospitality. We look forward to working with you in the future.

Foreign Secretary (Shri Shyam Saran) : Thank you very much.

First of all, let me begin by once again welcoming this opportunity to have this very productive interaction with Under Secretary McCormick. I welcomed him in his new position as Under Secretary for handling a very critical area of US-India interaction. I am very happy to say that the tradition that we have established with his predecessor Mr. Ken Juster, that particular tradition has been not only taken forward but even strengthened in the meetings that we have had over the last couple of days.

David, you have already given us a very good account of how the removal of some of the restrictions has made a difference to our trade in high technology products. This is a very significant development in our relations. The discussions that we have had over the past couple of days have opened up new opportunities for our cooperation in these very important high technology sectors.

There is a US-India Joint Statement on the results of the meeting that we have had and this will be circulated to all of you. So, I will not go into those details. But let me just recall for you that, as you know, the High Technology Cooperation Group works in four different areas currently. This

includes defence technology, biotechnology, information technology as well as the new frontier area of nano-technology. We have had in the last couple of days, both industry-to-industry and Government-to-Government interaction. This time we were very happy to receive a rather high-powered industry delegation from the United States. We had very good participation by Indian companies as well.

Then, today we have had the Government-to-Government session. After the plenary that we had in the morning, there were breakout sessions amongst the different groups. A number of recommendations have emerged from these meetings.

Let me just give you a flavour of what we have been able to do. On defence technology we had a very intensive dialogue on best practices, particularly on offsets. We also agreed to identify practices and mechanisms for efficient licensing, for major joint projects to ensure that this does not become an impediment for cooperation. Then we have also agreed to use Government and industry interaction to gain better appreciation of life cycle costs.

Then we come to information technology, which is really our star performer as far as our cooperation is concerned. We both agreed to explore collaborative projects in the field of tele-medicine, e-health, then also do joint work on bio-informatics and computational biology and also to start now working on higher end R&D because much of the work so far has been focused on data processing. But we are now looking really at more sophisticated areas of collaboration between our two sides.

In biotechnology we have agreed, just as we did on the defence side, to establish a private sector working group on biotechnology so that we can really advance our agenda. We have also agreed to establish a pilot project in ports, airports in India for employing best practices in the supply chain integrity of biotech products. This is something which will be very important in terms of promoting trade in bio products.

Then, on the very important area of nano-technology, which is really an area where India is very keenly interested, we have agreed on an Indo-US nano-tech collaborative programme for long-term basic research and application in nano science and engineering. This will focus on sectors such as nano materials, nano devices and nano systems.

We have also suggested, in fact, Science and Technology Minister Mr. Kapil Sibal has suggested that perhaps we could create a joint fund between India and the US to conduct the industrially relevant R&D in this particular sector of nano-technology. That is something that we will discuss further. This is in terms of the results that we have achieved in the different areas. Really we have set the stage for a much more intensive collaboration between the two sides.

As you are aware, the HTCG also works very closely with other related mechanisms that we have such as, for example, the Joint Working Group on Civil Space Cooperation, the India-US Cyber Security Forum, the Economic Dialogue, and the Defence Policy Group as well. So, these also become inputs for the work that we have been doing. All in all it has been actually a very satisfying set of meetings that we have had in the last couple of days.

I would like to just conclude by once again expressing my very deep gratitude to David for the very positive and enthusiastic spirit with which he has approached our deliberations over the last couple of days. We really look forward to working together in the months to come.

I would also like to express our thanks to all the participants, both from the US side as well as from the Indian side who have worked very tirelessly over the last couple of days. Delegation members from Government, delegation members also from the industry, have ensured that this has been a very very productive session.

Once again, thank you very much indeed.

Question : (Amit Baruah, *The Hindu*): ... (Inaudible, on space cooperation between India and US)...

Foreign Secretary : As far as the space cooperation is concerned, we have already received a draft of the Technology Safeguard Agreement which is being examined. We hope to be able to conclude that fairly soon. On the commercial space launch agreement, a draft is expected. This is something that I did mention today with that we need to move a little faster on that. So, as soon as we have that draft, we will hope to conclude that agreement as soon as possible.

As far as the Chandrayana package is concerned, my understanding

is that whatever pending issues were there, have been resolved. So, the way is open for that package to be carried by Chandrayana.

Question (Mr. Prasannan, *The Week*): ... (Inaudible, on India-US defence cooperation)...

Foreign Secretary : This is an area, as I mentioned in my opening remarks, which we have agreed needs to be discussed further. It is a somewhat complicated area and we need to look at some of the best practices in this regard. While we have had an initial discussion amongst ourselves we need to go further into this. But, what is important is that both sides have agreed that there are prospects for our joint collaboration, joint production, which we should actually be exploring. Perhaps, David, would you like to add something to this on off-sets?

Question: Just to take on from what Amit has said ... (Inaudible)...

Foreign Secretary : As you know, some of the entities have been removed from the list. My understanding is that with regard to the others a process of reviewing that is currently under way. We are also assured that with regard to whatever we agree upon in terms of Indo-US collaboration in space this would not be really an impediment.



545. meeting of India-U.S Information and Communications Technologies Working Group.**Washington (D.C), December 9, 2005.**

Recognizing the impact that the Information and Communications Technologies (ICT) sector has on the future of the US-India bilateral economic partnership, key US and Indian government officials met in Washington from December 7-8, 2005 to inaugurate the US-India ICT Working Group. This initiative was launched, as part of the US-India Economic Dialogue, in July 2005 during the visit of Prime Minister of India, Dr. Manmohan Singh. Co-chaired by the State Department's US Coordinator for International Communications and Information Policy Ambassador David Gross and Additional Secretary M. Madhavan Nambiar of the Department of Information Technology of India, the Working Group discussed developments in the Information and Telecommunications sectors in both countries. US participants were from the US Department of State, Department of Commerce, the Office of the US Trade Representative, the Federal Communications Commission, the Federal Trade Commission, and the National Science Foundation, and Indian officials were from the Departments of Information Technology and Telecommunications of the Ministry of Communications and Information Technology, the Ministry of Information and Broadcasting, and the Embassy of India, Washington DC.

The Working Group focused on discussion of approaches governments can take to create an investment and regulatory environment that can maximize the development of the ICT sector. The dialogue addressed outstanding issues as well as opportunities for collaboration in the areas of universal service, liberalization of the ICT sector, the appropriate government role in the adoption of new technology, and facilitation for cooperation among centres of excellence in the two countries. The participants also discussed future cooperation on enhancing "cyber trust" to facilitate e-commerce and e-governance, complementing the work of the existing bilateral High-Technology Cooperation Group and the Cyber Security Forum.

The Working Group reviewed the recent World Summit on the Information Society and discussed issues of mutual importance in multilateral organisations such as the International Telecommunication Union. Finally,

the Working Group identified the need for more structured collaboration with the private sector, through the creation of public-private sector groups on Telecommunications and Information Technology.



546. Question in the Rajya Sabha: “Conditions Imposed by USA on Nuclear Deal”.

New Delhi, December 15, 2005.

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

- (a) whether it is a fact that ever since the Indo-US Nuclear deal was signed, the U.S. administration has been asking for more concessions and placing the burden of meeting conditions associated with the deal entirely on India;
- (b) if so, details thereof; and
- (c) Government’s reaction thereto?

The Minister of State in the Ministry of External Affairs (Rao Inderjit Singh):

- (a) to (c) A statement is laid on the Table of the House.

Statement

(a)-(c) The July 18, 2005 understanding on India-US civil nuclear energy cooperation agreed by India and the United States of America. The elements of this understanding as contained in the Joint Statement are as follows:

President Bush conveyed his appreciation to the Prime Minister over India’s strong commitment to preventing WMD proliferation and stated that as a responsible state with advanced nuclear technology, India should acquire the same benefits and advantages as other such states. The US President told the Prime Minister that he would work to achieve full civil nuclear energy cooperation with India as it realizes its goals of promoting nuclear power and achieving energy security.

The US President would also seek agreement from the US Congress to adjust U.S. laws and policies, and the United States will work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India, including but not limited to expeditious consideration of fuel supplies for safeguarded nuclear reactors at Tarapur. In the meantime, the United States will encourage its partners to also consider this request expeditiously. India has expressed its interest in ITER and a willingness to contribute. The United States will consult with its partners considering India's participation.

The United States will consult with the other participants in the Generation IV International Forum with a view towards India's inclusion.

The Prime Minister conveyed that for its part, India would reciprocally agree that it would be ready to assume the same responsibilities and practices and acquire the same benefits and advantages as other leading countries with advanced nuclear technology, such as the United States. These responsibilities and practices consist of:

- identifying and separating civilian and military nuclear facilities and programs in a phased manner and filing a declaration regarding its civilian facilities with the International Atomic Energy Agency (IAEA);
- taking a decision to place voluntarily its civilian nuclear facilities under IAEA safeguards; signing and adhering to an Additional Protocol with respect to civilian nuclear facilities;
- continuing India's unilateral moratorium on nuclear testing; working with the United States for the conclusion of a multilateral Fissile Material Cut Off Treaty;
- refraining from transfer of enrichment and reprocessing technologies to states that do not have them and supporting international efforts to limit their spread; and
- ensuring that the necessary steps have been taken to secure nuclear materials and technology through comprehensive export control legislation and through harmonization and adherence to Missile Technology Control Regime (MTCR) and Nuclear Suppliers Group (NSG) guidelines.

The implementation of the July 18 understanding would be guided fully and entirely by the commitments reflected in the Joint Statement only. A Working Group to this end, headed by Foreign Secretary on the Indian side and Under Secretary for Political Affairs of the State Department on the US side, has been set up and it held its first meeting in New Delhi on October 21, 2005. It has been made very clear to the US, including at the meeting of the Working Group, that our commitments and obligations would only be those that have been spelt out in the 18 July Joint Statement. The sides have expressed their views on the road ahead and are working to evolve a roadmap. Our position remains as conveyed by Prime Minister to the Parliament on July 29, 2005, that our commitments would be conditional upon, and reciprocal to the US fulfilling its side of this understanding, and we expect a close correlation between the action to be taken by the US and India, and that Indian actions will be contingent at every stage on actions taken by the other side.

Therefore, the question of US administration asking for more concessions to be made by India and placing the burden of fulfilling commitments contained in the Joint Statement entirely on India does not arise.

Shri Manoj Bhattacharya : Sir, I must convey my thanks to the hon. Minister for having given a detailed answer, and, my first supplementary emanates from the answer that has been provided by the hon. Minister.

The Minister has stated in his reply, "The US President would also seek agreement from the US Congress to adjust U.S. laws and policies, and the United States will work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India." Sir, my question is: Has the hon. Minister or the Ministry any information whether the US Congress has at all considered the ratification of July 18, 2005 agreement or understanding?

Sir, part (b) of my supplementary is: if so, whether the Congress has put some conditionalities to be complied with by India, particularly, with regard to India's independent foreign policy. If yes, what are those conditionalities that the US Congress is trying to dump on us?

Shri Rao Inderjit Singh : Sir, both India and the United States of America are democracies. The President of the US and our Prime Minister had

reached an understanding on July 18, 2005. (Interruptions) It was a declaration, an understanding.

What the Americans do with regard to their democratic process is something that they must do; what we do with our democratic process is our job. Our baseline is the July 18 understanding that was reached between our Prime Minister and the US President, and, reciprocity is the key to the implementation of all the steps enumerated in the July 18 understanding. America has not done anything that compromises our position. We ourselves are capable of taking care of our logistical problems.

Shri Manoj Bhattacharya : Sir, my question was, whether the US Congress has ratified the understanding or the declaration.

Shri Rao Inderjit Singh: Sir, at the moment, hearings are going on in the House International Relations Committee of the United States Congress, and also in the Senate Foreign Affairs Committee. It has not so far been ratified. The second meeting of the Nuclear Working Group is likely to take place on the 21st and 22nd of December later this month. The President of the United States of America is coming over here. The momentum is on. Hopefully, by the time the President comes here, we will have something better to inform.

Shri Manoj Bhattacharya : Sir, my question has not been answered. (Interruptions) I must be given a chance to put my second supplementary. Sir, I would like to know one thing from the hon. Minister. In the reply, he has stated that the implementation of the July 18th understanding would be guided fully and entirely by the commitments reflected in the Joint Statement only, and the Working Group that has been formulated, that is being headed by our Foreign Secretary, and some Under Secretary for Political Affairs of the United States. Perhaps, it suits their democratic polity. But it does not suit us, our prestige and our dignity. However, my question is: What is the ratio of the nuclear power production in India today, and what could be the possibility of expanding the role of the nuclear power generation in a country like India, which with its inherent, abundant, geo-environmental conditions, could harness more power in a less expensive way? Now, what are the expedient factors for taking nuclear fuel from the United States of America under conditionalities?

Dr. Manmohan Singh : Mr. Chairman, Sir, I think, this is a question which

relates to a very different subject. If the hon. Member puts a separate question, we will answer.

Shri Yashwant Sinha : Sir, subsequent to the signing of the Declaration of 18th July, there have been hearings before the US Congress. I would like to take a minute of your time, Sir, to quote from what the Under Secretary for Political Affairs, who is the Chief Negotiator from their side, R. Nicholas Burns, told the House International Relations Committee on 2nd November, 2005 in Washington. He said: "Our judgment is that it would not be wise or fair to ask the Congress to make such a consequential decision, without evidence, that the Indian Government was acting on what is arguably the most important of its commitments, that is, the separation of its civilian and military nuclear facilities." I told the Indian leadership in Delhi two weeks ago that it must draw a credible and transparent plan, and begin to implement it before the Bush Administration would request for the Congressional action. I have other reports here which would suggest that what the Americans are saying very clearly is that the Government of India must not only have a plan, but must also begin to implement all the commitments that the Government of India has made in the July 18th Declaration before they move the US democratic process, as the Minister said, to ratify the Declaration of July 18th. Now, my question is, in the light of this, is there a stalemate in the implementation of this Declaration?

Dr. Manmohan Singh: Mr. Chairman, Sir, there is no stalemate. As my hon. colleague, the hon. Minister of State has mentioned, the Working Group, which consists of our Foreign Secretary and Mr. Burns, has already had a meeting. They had a good meeting. The next meeting is planned later this month, and as far as the speculation as to what the US is going to insist, I think, I have said it before both the Houses of Parliament that the binding constraint is what is stated in the July 18th Statement, which was jointly issued by President Bush and myself, and there is, I think, strict reciprocity. If the United States does not carry out its obligation, I think, we are also free not to carry out our obligation.

Shri Dipankar Mukherjee : Sir, subsequent to what Mr. Manoj Bhattacharya has asked, I would put a limited question. The Working Group, which is being headed by a Foreign Secretary on the Indian side and the Under Secretary of Political Affairs of the US State Department, I think, it is an effort which was continued earlier also. I would like to know whether there

is any protocol so far as the formation of a group is concerned; whether a proper protocol is formed where a Foreign Secretary representing our Government and the Under Secretary of Political Affairs of the US State Department representing the United States of America are there.

Dr. Manmohan Singh : Sir, I respectfully submit that that is not a relevant question. I think there have been instances when the hon. Foreign Minister of India was having a discussion with the Deputy Secretary of the United States.

Shri Murli Deora : Mr. Chairman, Sir, I would like to congratulate the hon. Prime Minister on concluding this Indo-U.S. Nuclear deal because that will ultimately provide India access to civil nuclear energy at a cheap and clean price. Since this Agreement is going to be finally approved by the U.S. Congress, I would like to know from the hon. Prime Minister whether the Government is making any efforts to see that the U.S. Congress approves this deal.

Dr. Manmohan Singh : Mr. Chairman, Sir, approval by the U.S. Congress is the concern of the United States Administration. I expect the U.S. Administration to use its full weight to get the necessary approval of the U.S. Congress.

Shrimati Shushma Swaraj : *I had previously while speaking on this issue said that our understanding about this agreement is different from that of the USA. The Prime Minister had rejected this position. Today he is also emphasizing that we will proceed on the basis of reciprocity. If they do not fulfill their side then we will also not do our part. But Mr. Prime Minister, our main commitment was separation of civil and military nuclear facilities, You had repeatedly said in the House that we shall carry out this obligation as per our understanding and in stages. Is it not that the United States is now demanding that this military nuclear separation will have to be done in consultation with them, under their supervision, and under their inspection. If that is so, then is it not interference with our sovereignty?*

Dr. Manmohan Singh : Mr. Chairman, Sir, I have stated unambiguously before this House that the decision to put certain facilities and reactors under international supervision is an entirely Indian decision and, therefore, there is no question of any other country forcing India to put this facility or that facility under control.

Shri Amar Singh : Sir, I would like to know whether it is a fact that India has accepted a crucial provision of a future Fissile Material Cut-off Treaty even before such an international treaty is negotiated by other nuclear weapons states.

Dr. Manmohan Singh : Mr. Chairman, Sir, that is a question for the future. All that we have agreed is that we will work with other like-minded countries to facilitate the Agreement on such a Treaty. When that Treaty materialises, I think, it is very difficult for me to say.

Shri Santosh Bagrodia : Sir, the hon. Prime Minister has already replied to it because I wanted to know when they would have the next Nuclear Working Group meeting. But what will be the main agenda from the Government of India for this meeting?

Dr. Manmohan Singh : Sir, I have already stated that we have taken certain commitments; the United States Government has taken certain commitments. I think, we are trying to work out ways and means by which a satisfactory solution is found and through which both India and the United States can honour their commitments.

Dr. Chandan Mitra : Sir, I think there is a lot of confusion because of the definition of 'reciprocity'. The Prime Minister has stated that everything will be done in a strictly reciprocal manner. I want to seek a clarification, as to what is meant by 'reciprocity'. Is it a step-by-step that we do this, we do the separation of civil and military nuclear facilities and then the U.S. will admit to something else; then we take another step, the U.S. takes another step? Or is it that we complete the package that has been demanded by the U.S. and only then will the U.S. Congress reciprocate? I would like to have a clarification on that.

Dr. Manmohan Singh : Mr. Chairman, Sir, I have in my statement to this House explained, at great length, what is meant by 'reciprocity', and I stand by what I stated in that statement.

Shri Dinesh Trivedi : Sir, there is no doubt that this is an extremely important Agreement, but, at the same time, it is evident that it is not easy to implement. Sir, my question is, if the U.S. law-makers and the U.S. Congress do not ratify or adjust these laws, as you said, is there any contingency plan for India?

Dr. Manmohan Singh : Mr. Chairman, Sir, it is not proper for me to disclose any contingency plan. But, if the US does not carry out its obligations, we are also free not to carry out our obligations.

Mr. Chairman : Question Hour is over.

(Note: Text in italics is unofficial translation from Hindi)



547. Address of Foreign Secretary Shyam Saran at the Carnegie Endowment for International Peace on “Transforming U.S. - India Relations: Forging a Strategic Partnership”

Washington (D.C), December 21, 2005.

(Moderator: Ashley J. Tellis, Senior Associate, Carnegie Endowment):

Introductory Remarks by Jessica Mathews (President of the Endowment): Good morning, everyone. I'm Jessica Mathews, president of the Carnegie Endowment for International Peace, and it's my great pleasure to welcome all of you to the endowment, and to welcome you, Mr. Secretary, today. We have among us today, as well as our distinguished speaker, the deputy to India's national security advisor, Ambassador Vijay Nambiar, right here in the front row, and the director for strategic planning of India's Department of Atomic Energy, Dr. Grover, and also deputy chief of mission of the Indian Embassy, and we extend a warm welcome to all of you. It's a particular pleasure, Mr. Secretary, that having hosted your colleague, Defense Minister Mukherjee, last June, that we are ending the year with the foreign ministry, and we hope that we will be able to host distinguished Indian speakers at six-month intervals henceforth in 2006. But seriously, we are delighted to host this address, Mr. Saran, on transforming the U.S.-India relationship because the changes that have occurred in that relationship over the past dozen years, and particularly over the past few years, have been nothing short of breathtaking. The July visit of Prime Minister Singh to Washington provided spectacular evidence of the strides that are being made by both countries in establishing a strong foundation for mutual cooperation and a lasting relationship. As you know,

Mr. Secretary, the centerpiece of the agreements that were reached during that visit, the commitment to full civilian cooperation on nuclear energy, have been as dramatic as they have been controversial, both within the United States and, as I understand, in India as well.

Carnegie has been a microcosm of that broader discussion. I'm very pleased, as president of this institution, that the two most trenchant pieces of analysis of that agreement – one championing it by Ashley Tellis and one constructively critiquing it by George Perkovich, who is also with us today – were both published by this institution.

Anyone interested in that agreement and I think in the broader relationship would do well to have read both. But I mention it because I think there is no better indication of the endowment's own commitment to non-ideological research and to its recognition of the importance of the relationship between the United States and India, and of developments on the subcontinent, than the fact of those two papers.

Mr. Secretary, as I know that you know, in addition to our work on South Asia, we have an active interest and research program on a variety of global issues, many of them at the core of the U.S.-Indian relationship – trade and non-proliferation as well as democracy and political reform – and we have substantial programs on Russia, on Central Asia, on China. We now have Washington's largest collection of China experts, and we have established a research program based in China, which we look to expand over the coming years. In Moscow, the Carnegie office hosts a staff of 42 people, 41 of them Russian, and by many counts is the leading independent think tank in Russia. In 2006 we'll be opening a new office in Beirut, which will become our forward base for further expansion of our work on political and economic reform in the Middle East.

The reason I mention this, and the reason behind all this international endeavor, is our belief that one can formulate national interest unilaterally, but achieving them requires a deep understanding of others' interests, and in turn that requires deep cooperation – true cooperation based, in the first instance, on careful listening. It's for that reason that we are all here this morning, Mr. Secretary, to listen with great interest to your assessment of the state of U.S.-Indian relations at this critical juncture in the evolution of the bilateral relationship, and we are delighted that you are here with us at the endowment and we look forward to hearing from you.

Secretary Shyam Saran : Dr. Jessica Mathews, Dr. Tellis, forgive me if, in the course of my presentation, I sound a bit disconnected, because while my mind hopefully is on Washington time, my body is still at New Delhi time. And it's important that one should not be disconnected because I think after years of India and the U.S. being told that they are talking past each other or talking at each other, I think finally we have come to a point that we are talking with each other, and that's the spirit in which I hope this presentation will be made and taken. I have to make sure that I have only one copy of my speech because ever since I have been told that a very distinguished Soviet leader read all five copies of his speech before a captive audience, I have to make certain that I don't make the same mistake. (Laughter.)

I am very pleased to have this opportunity to speak before such a distinguished audience on a subject that I believe is both topical and of great significance. At the outset, let me thank the Carnegie Endowment for providing me the forum to share my thoughts with you; Dr. Jessica Mathews for introducing me; to Dr. Tellis for his role as moderator.

There are occasions when the title for a talk is designed to catch attention, sometimes by a degree of exaggeration. This is not one of them. India-U.S. relations are transforming; I would argue dramatically so. This transformation will result in a strategic partnership between the two countries, and evidence of this emergence is already apparent. Today I would like to discuss our perspectives of that process: what is driving it, how do we further it, and what does it portend for global politics?

A number of independent developments coming together have created the climate for the transformation of our ties. To begin with, the end of the Cold War and the consequent rearrangement of interstate ties allowed both India and the U.S. to revisit their relationship and redefine it to address contemporary opportunities and challenges.

Second, this exercise in reassessment would not have had the same value and results if India had remained economically stagnant. Indeed, 15 years of reform and of growing integration with the global processes has made India a dynamic force with still greater potential for the future. Third, rather than be guided by immediate concerns, our leaderships took what could be called a 20/20 view and realized our long-term convergences.

This is particularly so when we assess the strategic implications of a world dominated by knowledge-driven societies.

Having said that, the more pressing issues also contributed to a clearer understanding of our shared interests. Global traits today emanate less from nation states bent on aggrandizement and more for transnational non-state actors. There is terrorism, WMD proliferation, pandemics, natural disasters, and illegal narcotics, which are some of the examples of problems that can only be addressed through greater global cooperation.

No single state, however strong, can bear global burdens alone. Naturally, in forging new partnerships, countries that share common values and now perceive common interests as well would come together.

Finally, the image of India and the United States has undergone a radical change.

Associated as it is with a successful and professionally prominent Indian community and Indian advances in information and communications technology. Similarly, the opening of the Indian economy has also encouraged Indian civil society to expand its interactions with the United States.

These long-term trends would probably have brought India and the United States much closer in any case over a period of time. However, through the exercise of policy choices on both sides, this gradual and somewhat measured transformation was significantly accelerated over the past year. Let me give you a few examples.

Our decision to pool resources and respond together in the tsunami aftermath gave what until then had been routine military exercises between our countries a new dimension. On the economic side, by resolving a long-standing controversy relating to the Enron power project in India, we enhanced our credentials as an investment destination. By concluding an open skies agreement – India's first ever – we addressed a very basic logistical barrier that is now yielding multiple benefits.

Speeding up the next steps in the strategic partnership initiative helped establish a regulatory framework for commerce in space, nuclear and dual-use technologies. The new framework for defense cooperation not only led out a broad vision of joint activity, but it showed U.S. companies

a level playing field in defense sales. Similarly, India's participation in the U.S.-led clean development partnership demonstrated our shared determination to respond to the environmental challenge through wider development and deployment of relevant technologies. The change, when it came, was certainly unprecedented in nature, but it was one prepared through a series of steps in the year leading up to it.

The defining moment of this transformation, as you are all aware, was the visit of Prime Minister Dr. Manmohan Singh to Washington this summer and the agreements announced on 18th July 2005. The wide-ranging nature of the various cooperative initiatives that were envisaged and the relationship to issues of fundamental concern to both countries announced that the strategic partnership had moved beyond its declaratory phase.

We set for ourselves an ambitious agenda that necessarily challenged orthodox thinking. If we were to realize the vision that our leaderships had not only for Indo-U.S. ties, but on larger global issues, clearly a new framework for our discourse had to emerge. That, for the moment, is represented by the July 18 statement that we hope to implement and then take forward in the coming weeks.

Given its significance, allow me to dwell a little on the July 18 joint statement. To begin with, it declares that India and the U.S. are moving beyond a bilateral partnership towards a global partnership. It also underlines that our ties are anchored, not only on common values but on common interests as well. These include promotion of democratic values and practices, combating terrorism and WMD proliferation, and working closely on global challenges ranging from HIV/AIDS to disaster relief.

I wish to stress that these commitments were not merely noble sentiments expressed by our leaders, but practical programs of joint action that have already yielded results on the ground. This may be seen in the leading role that we have both taken in the establishment of the U.N. Democracy Fund. It has also been demonstrated in our bilateral and multilateral cooperation in combating terrorism, in speeding U.S. FDA approval for Indian antiretroviral drugs, and our strengthened preparedness to respond to natural disasters. It is our expectation that this global partnership and U.S. recognition of India's central and growing role in

international institutions and processes would lead to a more forthright U.S. welcome of India in global leadership positions.

Economic understandings that were agreed upon on July 18 have equally profound implications. After all, the closer integration of one-fifth of humanity with global markets cannot leave the world economy and that of the U.S. unaffected. It has consequences for markets, services and technology that are still unfolding and whose full implications are only now beginning to be appreciated.

Our initiatives focused on harnessing private-sector energies, accelerating growth through greater trade, investment and technology collaboration, rejuvenating Indian agriculture, promoting infrastructure modernization, and strengthening energy security.

They address key challenges of our reform agenda and underlying the contribution that Indo-U.S. relations can make towards the realization of our aspirations.

When implemented they would, without exaggeration, make a significant difference to the quality of life of the Indian people. Guiding these commitments was the conviction that the world, and the U.S. in particular, had stakes in the success of a democratic India. Our growth is not only dramatically reducing global poverty levels but could lead us, in the not-very-distinct future, to emerge as one of the engines of global economic growth. As in the political arena, these economic initiatives have all been pursued vigorously in recent months, and we hope that the results would be visible in 2006.

U.S. economic and political stakes in the growth of the Indian economy and its rapid integration with the global market make it natural to focus on accelerating this process. The benefits to India are obvious, but there was an equally clear recognition that the U.S. too stood to gain in no small measure. At a time when the international situation is in flux, a large and a stronger Indian economy, radiating the twin messages of open society and open economy, is in U.S. strategic interests.

This then led us to address constraints on India's growth and how our cooperation could ameliorate this situation. Two bottlenecks that came up immediately were infrastructure and energy. We undertook to enhance

our investment climate and expand opportunities for foreign participation in infrastructure projects. We have launched, as you know, an Indo-U.S. forum whose recommendations will be relevant in this regard.

On the energy challenge, we have embarked on a broad-based energy dialogue that encompasses clean coal, new technologies and renewable energy, civilian nuclear energy, oil and gas, and energy efficiency issues. Each of these areas has made some progress, and we hope to move towards formalizing specific projects in the coming months.

Our cooperation in science and technology also received the attention it deserves.

Interestingly, the vast majority of initiatives currently underway have, in one way or the other, a strong technology underpinning. We have since signed a framework agreement in October 2005 that includes, for the first time, an IPR protocol. The High Technology Cooperation Group that met recently in New Delhi has also helped take forward cooperative processes in biotechnology, nanotechnology, information technology and defense. Space has emerged as a major area of cooperation where Indian skills and comparative costs make a strong case for an expanded Indo-U.S. partnership. We have ambitious plans in the commercial space arena, and the conclusion of a space launch agreement currently under discussion would be an important step.

In dual-use technology I am confident that the more liberal and predictable licensing regime that emerged from the NSSP would make itself felt fully in our strategic commerce. Demands will surely grow from an economy that is putting and increasing premium on efficiency.

Quite understandably, it is the nuclear agreement that made the headlines on July 18 and has dominated the discourse on Indo-U.S. relations since. The debate so far does not appear to have done full justice to the real issues involved. Much of the argumentation has revolved around the agreement being a radical departure from the NPT regime. Frankly, this is missing the woods for the trees. If we go by NPT concepts and objectives rather than this littler text, then it is difficult to make a case against the July 18 agreement. Bringing India into the fold is not only a gain for international nonproliferation efforts, but indispensable for the emergence of a new global consensus on nonproliferation in response to current challenges. Any

objective assessment of efforts to counter WMD proliferation would surely put a high value on India's participation.

It has been said that India has made no new commitments on July 18th and simply restated its current policies. Even assuming that this is true, it then begs the question whether the nonproliferation record of India should be diminished, even devalued, merely because it can be taken for granted. One may as well suggest that the U.S. should only reward those who stray from the nonproliferation norms, not those who observe them. I might add, particularly for the benefit of those who are partial to this line of thinking, that by strengthening this export control regime and committing to non-transfer of reprocessing and enrichment technologies, and to international efforts to limit their spread, India has actually undertaken additional commitments that put it in the NPT-plus category.

If India's past record and current policies are not recognized, and worse still, if it is to be graded with those whose record in this respect is more than suspect, then our nonproliferation objectives may enjoy the comfort of noble intentions but not the efficacy of tactical action. Certainly the nuclear agreement is a subject of legitimate debate. In fact, it has contributed to greater attention being given to the progress that India and the U.S. have made, not only on this issue but on other facets of their ties as well. Let me take this opportunity to make some comments on issues that have arisen in the course of this debate.

Some experts have suggested what they term to be improvements to the July 18 agreement. Let us be honest. These suggestions are deal-breakers and are intended as such. The proposal for a moratorium on fissile material production was not part of this agreement and will not become so. However, in the conference on disarmament in Geneva, India has reiterated its commitment to negotiations for a multilateral and verifiable FMCT.

Comments have also been made on the nature of the safeguards arrangement. Obviously this cannot be on the non-nuclear weapons state model. While concerns of our partners will be taken into account, it is best to avoid unilateral interpretations and positions. The objective of safeguards is not to address India's strategic program; it is to give our partners the assurance they legitimately expect, that, one, civil nuclear cooperation with India would not be diverted to assist India's strategic program, and, two, it would not result in diversion to third countries.

The mechanics of implementing the July 18 agreement has also been touched upon. This is frankly a non-issue. Having labored over the mountain we will not stumble on the molehill. Whatever we agree upon will be based on the reasonable premise that one side cannot carry all the risks. Therefore, there has to be a co-relation between the actions of the two sites.

Predictions have also been made that India would offer a minimal, even token, separation of her facilities. This displays a lack of comprehension of our objectives in entering into this understanding. India's energy security will be advanced by obtaining international cooperation on as wide a scale as feasible without accepting limitations on our strategic program.

It also appears that India's commitment to nonproliferation is not fully appreciated in some quarters. Let me be clear: India does not favor the emergence of any more nuclear weapons states, least of all in our own neighborhood. We are unable to accept as legitimate the pursuit of clandestine activities in respect to WMD-related technologies. We believe that all states must adhere to commitments under international treaties and instruments, and furthermore, must be transparent in fulfilling these commitments. At the same time, we cannot expect that the demand side of proliferation can become transparent if the supply side is obscured by continued – (unintelligible).

The nuclear agreement has a larger energy rationale that should not be overlooked. You must bear in mind that India and the U.S. are engaging not on only one element of the energy mix; we are exploring partnerships on clean coal technologies, on exploitation of coal bed methane and gas hydrates, on carbon sequestration, and on the hydrogen economy.

To believe that civil nuclear energy is unimportant because it constitutes only 3 percent of India's current energy production betrays a lack of understanding of our energy requirements and their emission implications. Civil nuclear energy is currently limited precisely because of technology denial. If freed from current restrictions, there is little doubt that it will rapidly move into percentage of double digits.

India is today partnering the U.S. in almost every international initiative on various aspects of energy. The U.S. is contributing to our economic growth and we too are bringing our technology skills to the table.

Our collaboration can help ease the growing pressures on the global energy market where oil consumption has gone up fourfold over the last century.

In most areas, market forces are driving transactions but regulatory restrictions are blocking normal commerce in civil nuclear energy and must be addressed if India is to be a long-term partner. Ironically, continued technology denial targets the very reform-minded and forward-thinking constituency in India that is in the forefront of advocating a closer Indo-U.S. partnership.

In the coming weeks, many of the initiatives that I have described will come to fruition and will form the backdrop to the forthcoming visit to India by President Bush.

Together they make a composite whole that reflects the increasingly broad agenda of our cooperation, in particular as knowledge partners. Just look at how corporate America is now warming up to the benefits of an Indian partnership. When Bill Gates was in India recently, he declared that the world would be a heck of a country if we could roll our best practices together. Microsoft has recently announced plans for investing U.S. dollar 1.7 billion in research and development in India over the next four years. Intel has similarly committed U.S. dollar 1 billion over five years, and Cisco Systems, U.S. dollar 1.1 billion. JP Morgan Chase will be sourcing its staff for structured finance and derivative deals from India as well. A recent study has predicted that the exports of India's burgeoning knowledge economy will touch U.S. dollar 60 billion by 2010.

Our future as the driving forces of global knowledge partnership cannot be served by maintaining technology denials. The aspirations of the Indian people for a better economic future cannot be sustained by restricting that energy access. Above all, any vision of the future must make clear to the Indian people that they are a partner, not a target. We hope that this is the spirit in which the July 18 agreement will be approved through necessary legislation in the Congress.

Indo-U.S. relations are at a crossroads. We have two clear choices before us. One is the road that we have traveled before, one that will maintain the status quo and the distance between our two democracies. The other, not without its challenges, recognizes the enormous changes of the last decade, appreciates the resulting opportunities, and is prepared to depart

from established positions to realize a genuine strategic partnership. Its realization could make Indo-U.S. ties one of the principal relationships of the international system. I'm confident that this positive view of our ties will prevail, and will be reflected in the outcome of the landmark visit of President Bush to India early next year.

Thank you very much for your attention.

Ashley Tellis : I just want to start with an administrative announcement.

The foreign secretary will have to leave at 10:00 this morning to make a meeting with Dr. Rice. So I would just invite you to keep your questions short and precise so we can accommodate as many as we can before he has to leave. I'm going to be the traffic cop, so put your hands up to be recognized and I'll call on you.

Aziz? Q: Mr. Foreign Secretary, that was quite a stellar presentation in terms of the civilian nuclear component where you took on the U.S. nonproliferation lobby. My question to you is there has been some nonproliferation groups here, monitoring groups, that have put out all sorts of wish lists about the separation of military and civilian nuclear facilities in India, and which has also been reported widely in the Indian media.

Is there any credibility or coincidence to these types of wish lists, and have you come with a separation list to be submitted? And is the Cirus reactor, which has been dredged up by the nonproliferation lobby here, going to be also included, because Canada has also called for the disposition of this controversy.

Secretary Saran : That's quite a mouthful. (Laughter.) Well, let me begin by saying that it is certainly not my intention to take on any lobby here in the United States or in India. I think what I tried to do, to the best of my ability, is to give you a sense of the very wide expanse that India-U.S. relations today covers, of which civilian nuclear energy cooperation is a part now, you have the July 18 statement, which I think should be the template, based on which we should do further work with regard to the separation of India's civil and military facilities. And I think this is what we will be doing. I think there will be as many wish lists and as many separation plans as there are experts. I don't think it is our intention to negotiate this either through the press or through think tanks. I think there is a joint working group which has

been set up by the two governments to carry out this exercise, and this is exactly what we will be doing.

I think what is important to realize is that we will be addressing the separation plan on the basis that this has to be credible, this has to be transparent, and this has to be efficient, and it should not – at least as far as we are concerned – impact adversely on our strategic program.

Question : And on Cirus? On the Cirus reactor?

Secretary Saran : Well, you know, our position is that we have not departed from any of our international commitments, and as far as any specific issue is concerned, this will be addressed at the appropriate time.

Mr. Tellis : If you could just identify yourself before you ask the question. Teresita please.

Question : Teresita Schaffer from CSIS. It's nice to see you again here, Mr. Secretary.

You spoke of transforming a bilateral partnership into a global one. I wonder if you could say something about where you see other kinds of global issues in this partnership, and specifically, to what extent do you think the United States and India have begun to achieve a common view of how they look at issues like Asian security?

Secretary Saran : Well, I mentioned in my presentation itself that there are a number of transnational issues, or cross-cutting issues, on which India and U.S. not only should cooperate but have begun to cooperate. I mentioned, for example, the issue of global energy supplies. I mentioned the issue of HIV/AIDS. I also mentioned the cooperation between the two sides as far as the promotion of democratic values and institutions are concerned – the UN Democracy Fund for example.

With regard to security issues, I think what both countries agree upon is that we need to have an Asia which is secure, which is stable. I have mentioned earlier that there is a transformation taking place in Asia. There is the emergence of China, there is the emergence of India, and I think you need an evolving security architecture which is able to accommodate these changes which are taking place. I believe that there are ways in which the U.S. could contribute to this. We ourselves are looking

at other kinds of ways of doing this. For example, the recently held East Asia summit is certainly one of the mechanisms through which this could be addressed. So there are many areas of discourse. There may be perhaps areas of convergence, perhaps areas of divergence, but I think what is very important is that today, for the first time, on a whole range of issues, in fact U.S. and India are very intensively engaged.

Mr. Tellis : Albet :

Question : Albert Keidel with the Carnegie Endowment. Thank you for your words. I wonder what initiatives are underway or contemplated with China, who might see a strategic partnership from a different perspective after the U.S. established bases in Central Asia, Bush visiting Mongolia, two-plus-two agreement with Japan on Taiwan, and a strategic partnership between the U.S. and India. What initiatives are thought of or planned to perhaps balance some of this out from Beijing's point of view?

Secretary Saran : Well, let me begin by stating what is obvious, that just as the United States of America itself is very intensively engaged with China, also has a strategic dialogue with China, so does India. I mean, our engagement with China is also developing quite rapidly. We too have a strategic dialogue with China, and I think one should not look at the India-U.S. relationship as somehow detracting from U.S. relationship with China or India's relationship with China. I think this has been very clearly stated by the U.S. leadership itself to us, that they do not regard the improvement of relations between, say, India and China as something which would not be welcome to the United States of America.

So we do not see this as somehow or the other detracting from this or that relationship. We believe that we are engaged in a dialogue with both partners, both very important countries, and that such a dialogue in fact will help contribute to peace and stability in the Asian region.

Mr. Tellis : Carol ?

Question : Carol Giacomo from Reuters. I'm sorry I'm going to have to take you back to the pesky nuclear problem, but I was left a little unclear with your answer to Aziz's question. Has the Indian government actually formulated a formal separation plan? Have you presented it to the United States, or will you present it to Mr. Burns or Secretary Rice when you see them? And will Cirus be designated a civilian facility?

Secretary Saran : As I said, we have a joint working group, which is precisely mandated to go into the sort of questions that you are talking about. Yes, I have come with certain ideas about the separation of India's civilian and military facilities, but the best forum in which to discuss this is the joint working group.

Question : Good morning. Thank you, Mr. Secretary. I'm Daryl Kimball with the Arms Control Association. You have mentioned that the issue of a fissile material cutoff was off the table. I wondered if you could explain why. India has been for a long time a proponent of nuclear disarmament. This is an issue that is important for the global nonproliferation system. India has enough material for what most consider to be a minimal credible deterrent. If the other five original nuclear weapons states can stop such production, why can't India? Or does India wish to expand its arsenal?

Secretary Saran : Well, you know, the important thing to remember here is that the July 18th joint statement is not about India's strategic program. It is an agreement about civil and nuclear energy cooperation between India and the U.S. And in pursuing that civilian nuclear energy cooperation with the United States, what India is willing to do is to give the assurance to its partners that whatever is coming as technology or as cooperation from its partners would not be diverted to India's strategic program and would not be diverted to third countries.

As far as the fissile material issue is concerned, I stated in my presentation that we are committed, as we have been for some time, to the negotiation of a multilateral, verifiable fissile material cutoff treaty in the conference or the summit.

Mr. Tellis : Yes?

Question : Good morning, Mr. Secretary. I'm Kumar from Amnesty International. First, as you are aware, the UN is creating a new human rights mechanism called UN Human Rights Council. I want to know whether India is going to support it to be a strong body for the next couple of years to be more effective.

My second question is whether there is any misunderstanding by the U.S. administration over the Iraq – how do you call it? – UN oil for food scandal, because senior officials of the Indian government have been

implicated – whether that's creating any friction between India and the U.S. Thanks.

Secretary Saran : No, as far as your second question is concerned, there is no friction at all between India and the U.S. on this issue. You mean the Volcker Commission report. No, there isn't. In fact, the investigations are taking place and we have received very good cooperation from the Volcker Commission and the United Nations.

You've asked about the Human Rights Council. Yes, we are in favor of the reform on the entire structure of the United Nations, of which the UN Human Rights Council is a part. We are – you know, this is a work in progress. I mean, there is a considerable amount of discussion taking place on exactly what the nature of the reform would be. But I would say that we are, for example, comfortable with the idea that this body should perhaps have a higher bar in terms of election. For example, if there is a consensus on there being a two-thirds majority for election of members, that is something that India would have no problem with.

But it is also important I think for any UN-related body to accept the principle of universality. That is, if we start excluding or including countries on the basis of some kind of a report card approach, that would go against the spirit of universality, which is, I think, the bedrock of the United Nations.

Mr. Tellis : Henry?

Question : Henry Sokolski with the Nonproliferation Policy Education Center. Visitors to China are coming back and telling us that the Chinese are quite upset with this deal, and they do think of it in terms of nuclear weapons, not civil. Two questions. First, there was a really stunning editorial by man named Subrahmanyam, and he explained the deal in these terms: We need yellow cake to keep the reactors we've overbuilt running because we're running out of inexpensive yellow cake. Let's declare them all to be under safeguards, and then make more weapons using Indian natural ore. I'm curious what you make of that comment and how sound or unsound it is and why it's sound or unsound.

Second, are you opposed to working with China and Pakistan to come up with some formula to cap either fissile production or the deployment of nuclear weapons?

Secretary Saran : Well, I can't really comment about what China's reaction to this deal has been because so far they have not said anything to us. If they raise the issue with us, we are willing to debate this issue with them, but it has not been raised with India.

Secondly, what may have been comments made in an editorial – I am afraid over the past few weeks there have been any number of articles, editorials, op-ed pages which I think have looked at virtually every nook and cranny of this issue. I think it is not really very opportune for us to respond to each and every one of these comments.

As I said, the two governments, based on the July 18 agreement, have set up a joint working group whose job it is to negotiate how to implement what their leaders have decided. I think I would rather keep myself focused on that exercise rather than be drawn into commenting about each and every comment that is made in either an Indian newspaper or a U.S. newspaper.

Your third comment about whether we would be willing to negotiate something with Pakistan or with China, frankly, again, that has nothing to do with the July 18 agreement. We are not talking here about a capping of India's strategic program. We are not talking here about a fissile cutoff. What we are talking about here is how to address India's energy requirements through civilian nuclear energy cooperation. In the course of it we are willing to give an assurance, as is legitimate, that whatever cooperation is extended to India will not be diverted to India's strategic program and will not be diverted to third countries. That is the basis on which we are working.

Mr. Tellis : Dan?

Question : Dan Horner from McGraw-Hill Nuclear Publications. Two questions, please.

One, there have been somewhat conflicting reports about what the outcome of the talks between Prime Minister Singh and President Putin was with regard to nuclear cooperation, particularly with supply of fuel to Tarapur. If you could clarify that please.

And secondly, more broadly, I think it's fair to say there is feeling in

some quarters on Capitol Hill and elsewhere that if the U.S. is initiating this action to modify the Nuclear Suppliers Group guidelines and to change its legislation, that U.S. vendors should get first shot at supplying reactors and fuel to India. Is that the Indian position or is it essentially – are all the potential suppliers on an equal footing with regard to reactors and fuel? Thank you.

Secretary Saran : Well, the discussions in Moscow between Prime Minister Dr. Manmohan Singh and President Putin covered a very wide agenda, as they would, given the, again, very wide-ranging relationship that we have with the Russians, and that includes civil nuclear energy cooperation, particularly since Russia is building two 1,000 megawatt reactors currently in Koodankulam. We are talking to the Russians, as we are to our other partners, including the French as also the Americans, with regard to a very major expansion in our nuclear energy program. There will be – as far as we are concerned, there would be a level playing field. Once the market is open, there would be a level playing field for all potential suppliers.

Secretary Saran : Michael.

Q: Mr. Secretary, Michael Krepon of the Stimson Center. The issue of diversion, which you have identified, is key. It's a very sensitive subject, given the history of India's nuclear program. If I heard you correctly, you said that the mechanisms that the IAEA has for dealing with this issue – safeguards in perpetuity for selected facilities, which is applied to non-nuclear weapons states is not a model that you would approve of for India. Did I hear you correctly, and do you have some other model, some other kind of safeguard agreement in mind to deal with this question of diversion.

Secretary Saran : Well, you know, this issue of perpetuity has been raised every now and then. Let me put it this way: As long as there is a guarantee or assurance of lifetime supply of fuel, I don't think India would have a problem with lifetime safeguards on such fuel.

With regard to the kind of safeguards that would be applicable, I think those safeguards will have to take into account what the joint statement itself has recognized, that India has a civilian program but India also has a military program. And therefore if you say that safeguards which are applicable to non-nuclear weapons states, parties to the nonproliferation treaty, is what would be applicable here, I think that does not really – it's not really correct.

So while we are not recognized as a nuclear weapons state under the NPT, there is a recognition that India has a military program and a civilian program, and whatever safeguards are finally agreed upon with the IAEA will have to take this factor into account, and there will be, therefore, appropriate safeguards.

Mr. Tellis: Sandy.

Question : Thank you. I'm Sandy Spector with the Monterey Institute, and I guess I have been one of the individuals trying to highlight the Cirus reactor, which has been discussed here earlier. I think this goes fundamentally to the question that you have – not the question, the point that you have made about providing assurance to the world that India will not divert civilian technology to a military program. Everyone else, except India I would say, around the world looks back at the Cirus episode as a case in which Mrs. Gandhi diverted a civilian reactor to a non-peaceful purpose which India had pledged to retain as a peaceful-use reactor. And whatever may be said about the 1974 test, since that time, most everyone else in the world believes that this reactor migrated into the nuclear weapons program.

So this is an example that exists today of an apparent diversion. Now, perhaps we can – I don't want to argue or debate the point with you; I'm just saying this is how it's perceived. So if India wishes to make a credible case to the world that it is going to be a reliable nuclear partner in the future, I think this history needs to be cleared up.

I would also just comment that I fundamentally agree with you when you state that this nuclear agreement is only a small part of the overarching agreement and understandings between our two countries, and therefore I am confident that were it to be modified or to be delayed or perhaps fade a bit, the core understandings between our two countries would continue.

Secretary Saran : Well, I really would not like to get into an argument about the Cirus reactor or this or that aspect of our separation plan because this is something which is really a – something which is in progress, something which is under discussion. But I think what I would like to reiterate here again is that if the international community extends nuclear cooperation to India, we do believe that we have the responsibility to assure our partners that what is coming to India as civilian nuclear energy cooperation will not be diverted to unauthorized uses.

Mr. Tellis : Yes.

Question : Jason Ma with Inside the Navy. Mr. Secretary, I was hoping you could comment on the nuclear agreements – the implications it might have for any weapons sales with the U.S. and India, and in particular, if the agreement provides India with some assurance that if India were to buy U.S. weapons, any spare parts, it wouldn't get cut off under some sanctions the U.S. would impose because of the nuclear program.

Secretary Saran : I frankly do not see any direct connection between civil nuclear energy cooperation and defense cooperation between India and the U.S. As you are aware, we have concluded a framework for defense cooperation between the two countries, which sets out the parameters within which such cooperation can be pursued by the two countries. And for India, one of the most important elements in terms of taking this defense cooperation forward, would be the aspect of reliability. This is something which is critical as far as India is concerned, but when we are talking about civilian nuclear energy cooperation, I think you need to put that in the larger context of whether or not it is really desirable for the United States of America to continue to operate technology denial regimes against an India which it also says is a partner. We believe that this is inconsistent.

Mr. Tellis : Yes.

Question : (Off mike) – with the Voice of America. I want to know – obviously this nuclear agreement – July 18th agreement has to get past the Nuclear Suppliers Group and the U.S. Congress. What is the status of negotiations? What exactly specifically are you doing? What kind of problems are you running into with those two groups? Many people say that those agreements aren't going to happen, especially with the Nuclear Suppliers Group. Is that right?

Secretary Saran : Well, as far as the July 18th statement is concerned, it is the United States of America which has committed itself to bringing about the kind of legislative changes which are required through the U.S. Congress, as well as work together with its partners in the Nuclear Suppliers Group in order to make full civilian nuclear energy cooperation with India possible. So this is a U.S. responsibility.

We cannot negotiate with the U.S. Congress. However, I think in terms of building up the case for such cooperation, whatever India needs to

do in convincing public opinion in the United States amongst the Nuclear Suppliers Group, naturally we will do.

Mr. Tellis : Khalid.

Question : Khalid Hasan, *Daily Times*, Lahore. Sir, this agreement has been viewed with some trepidation in Pakistan. I was wondering if this has come up for discussion between the two governments at any level. Thank you.

Secretary Saran : Never to my knowledge.

Mr. Tellis : The gentleman there.

Question : Takashi Sadahiro with *Yomiuri Shimbun*. On UN Security Council reform, so-called G4 initiative by India, Japan and so on, was not very successful earlier this year because of opposition including the United States. Now, what will you discuss during your visit in United States on these topics? And from your perspective, is this G4 initiative still alive and what is the prospect of success? Thank you.

Secretary Saran : Well, you know, there are two aspects to this. One is the issue of whether the United States of America would support India's candidature for permanent membership of the UN Security Council. That need not necessarily be connected with the G4 initiative. The G4 initiative really is a mechanism in order to bring about what the four countries wish to see happen, which is the reform of the Security Council expansion in both the permanent category as well as the non-permanent category. So these two issues are not really, in our mind, necessarily mutually exclusive.

As far as the G4 initiative is concerned, I don't think you should be too much in a hurry to believe that because I think it is still something which has some life left in it.

The main problem has been whether or not we are able to get the majority of the applicant countries on board. And after the last summit, the African countries have taken the decision to present their own resolution. Let us see what happens to that particular – (unintelligible).

We believe that it is still possible for the African Union and the G4, plus their supporters and sponsors, to work out a text which would in a sense bring the two resolutions – current resolutions much closer together.

If we have the African countries on board, then I think the G4 initiative has a very good chance of succeeding.

Mr. Tellis : Go ahead.

Question : Mr. Secretary, this is Gopal Ratnam, reporter for Defense News. You set the July 18 agreement and the defense framework agreement in the larger context of relation between the United States and India, and you pointed to improvements in the role that India can play on several fronts, including in producing antiretroviral drugs and so forth. I'm wondering, what kind of a role do you see for India in the larger security arena, either in the global area or in the regional security area? What sort of a role do you see for India merging as a result of the relationship with the United States improving?

Secretary Saran : Well, I don't think it is only with respect to the United States. I think there is a broader role that India has in fact been playing and can play. One is that with the kind of capabilities India has developed over the past several years, it has demonstrated that it is uniquely placed to contribute to, for example, disaster management efforts. That was one of the reasons why after the tsunami there was an interest in the United States to work closely together with India in dealing with the aftermath of the tsunami. So that is one aspect.

The security of sea lanes is another aspect where India can play an important role. There is the issue of terrorism, which is very, very high on the agenda of the United States of America, and also happens to be very high on the agenda of India. And that is an overriding security concern, whether two countries can and in fact are working together.

So there are a number of areas where the two can work together.

Mr. Tellis : Grant.

Question : Grant Smith of SAIS. Mr. Secretary, Iran is another area of potential disagreement between the United States and India, in particular the question of the Iranian nuclear program and the question of a pipeline from Iran across Pakistan to India. Could you discuss India's position on those, or likely position on those two issues in the future, and whether they're connected.

Secretary Saran : I'm sorry, what was the first issue?

Question : The Iranian nuclear program.

Secretary Saran : Well, you know, on the Iran nuclear program, again, India has taken a very consistent position, which is very well known to the United States. And let me repeat: We have said that we expect countries to honor the commitments that they have made under international treaties and observed whatever obligations they have undertaken. And we have also said that we do not wish to see another nuclear weapons state emerge in our neighborhood.

With regard to differences that may have arisen between Iran and, for example, the European Three, we have always supported a dialogue, and we are very happy that that dialogue seems to be in the process of being resumed right now in Vienna.

We believe that as far as these issues are concerned, they should be dealt with within the purview of the IAEA itself because there could be unintended consequences if the matter is taken to the Security Council. So as far as India's position is concerned, I think it has been fairly clearly spelled out.

And you mentioned a second –

Question : (Off mike.)

Secretary Saran : Well, no, I think we have been talking about energy security and now energy security is a very major concern for India, and I'm sure it is for Pakistan as well. Let me say that as far as this proposed pipeline is concerned, we will look at it from the aspect of its economic viability: Does it meet the requirements of India in an economical way? That would be the touchstone.

Mr. Tellis : I'm going to admit one last question because we have to get the secretary out of here soon. Sharon.

Question : Thank you. Sharon Squassoni from the Congressional Research Service. Mr. Secretary, in 1985 the U.S. concluded a peaceful nuclear cooperation agreement with China, and I think hopes were high that the U.S. would be able to export quite a bit to China, but that hasn't been realized.

Given India's plan to move towards a thorium-based fuel cycle, what areas do you think – or are you interested particularly in cooperating with the U.S.? I know the July 18th statement mentioned low-enriched uranium to Tarapur, but are there really areas where the U.S. and India can cooperate and the U.S. can realize some benefits? Thank you.

Secretary Saran : Well, the way we look at is the manner in which our energy needs are really exploding, in a sense, there will be room for all our partners, including the United States of America. That's why I said if such cooperation became possible, there will be a level playing field for all our partners. But beyond that, let me mention that India is also participating as a full partner now in the International Thermonuclear Energy Research Project. We have expressed an interest in the generation for a reactor program – research program that the United States is leading. So we are not only looking at current cooperation in terms of reactor sales, but we are looking at a much wider canvas for the future as well.

Mr. Tellis : On that note, let me take the opportunity to thank Mr. Saran for having come to the Carnegie Endowment and made this presentation this morning, and to all of you. We roused you out of bed at an unreasonable hour in the holiday season to come here at 8:30. Thank you very much for your attendance.



548. Press Conference by Foreign Secretary Shyam Saran at the end of his visit to Washington, DC.

Washington (D.C), December 22, 2005.

Foreign Secretary Shyam Saran: Thank you very much. Good evening to all of you. This has been a two day visit to Washington to exchange views with the United States administration in terms of what we need to do in order to prepare for the landmark visit of President Bush to India which is expected to take place sometime early next year. In the course of that, we undertook a review of the various initiatives which were adopted on July 18 which are listed out in the joint statement operation.

I also had a number of other meetings. As you know I was able to

meet Secretary of State, Condoleeza Rice. I also called on National Security Advisor, Steve Hadley. I had a meeting with my counterpart in the Department of Commerce, Mr. David McCormick. This afternoon I met the Under Secretary in the Department of Energy, Mr. David Garman, and we had the first meeting of the Steering Committee on Energy Cooperation between India and the United States.

As you know, on the energy side, we have a number of initiatives that we are working on. We have set up several working groups, and these working groups include one on coal, on new and renewable sources of energy, on petroleum and natural gas, on energy efficiency and also on civil nuclear energy cooperation. These working groups have met. Some have had video conferences. A fairly detailed plan of action has been drawn up for each of these working groups, so it was very useful for me to have this first meeting of the steering committee and go over the progress that has been achieved by the different working groups.

This evening, the last meeting I had was with the Under Secretary in the Department of Defense, Mr. Edelman. As you can see, I have had a very crowded agenda during these two days. I go back very satisfied with the progress that has been achieved in the relations between our two countries. We have achieved considerable advance in terms of the implementation of the various understandings which were reached on July 18th and I believe that we have a very good foundation for taking our relations to a much higher level.

It was conveyed to me that President Bush and the First Lady are very much looking forward to their forthcoming visit to India. I in turn assured Secretary of State as well as National Security Advisor, and my interlocutor in the state department Nicholas Burns, that a very warm welcome awaits President Bush in India and that we would like this visit not only to be a demonstration of the transformation which has taken place in India and United States relations during the past year, but would also have a lot of substance in that relationship.

Of course among the initiatives that we have been discussing is the Civilian Nuclear Energy Cooperation. As I mentioned to you, we had the meeting of the Joint Working Group and in this working group, our two sides shared ideas about the processes which flow from these commitments,

in their own countries and with relation to their international partners. Significant progress was achieved in developing a mutual understanding of the steps needed to advance the early implementation of the agreement. The working group expects to hold its next meeting sometime in January in New Delhi.

So all in all, this has been an extremely satisfying visit for me. I believe that in all India - United States relations are poised for a very significant advance in the coming months. Thank you very much.

Question:Inaudible

Foreign Secretary Shyam Saran: As far as the Civilian Nuclear Energy cooperation is concerned, as I said, we had a very positive exchange of views. Also we came to the conclusion that in fact we should be in a position to make a significant advance on this initiative before the visit of President Bush to India. I had of course this morning, a very important meeting with Senator Lugar, who is the Chairman of the Senate Foreign Relations Committee. It was an extremely positive meeting, and from my point of view a very encouraging meeting. I have every reason to believe that there is in fact a very encouraging environment for seeing this agreement through.

Question: At Carnegie yesterday you spoke about the fact that you have come with ideas, vis a vis, the separation plan. Is it fair to assume that there has still not been any completion of the separation plan which the United States can go to Congress with and that it requires more discussions when Mr. Burns comes over there next year? Secondly, yesterday at Carnegie you said that United States, India relations were at crossroads. If this agreement gets delayed, and protracted negotiations in congress delays it, is it going to be at a cross road where only the status quo will be maintained or can this relationship survive the vicissitudes of this agreement not being confirmed in the next few months?

Foreign Secretary Shyam Saran: Well you know, I think I mentioned very clearly that this meeting that we had produced very positive forward movement on a whole range of issues. We have exchanged views on the implementation of our respective commitments as contained in the July 18th joint statement. I also mentioned to you that I am going back very encouraged by the environment with regard to the implementation of this agreement.

Question: In terms of the second question that we were at crossroads at Carnegie and you said that you can either be at the status quo level or that if the challenge is ahead you could...?

Foreign Secretary Shyam Saran: I ended that speech by saying that I have every reason to believe that we will move forward and we will move forward in a positive manner.

Question: You are talking about the landmark visit of President Bush to India sometime next year. Would you still consider it landmark or historic if the Civilian Nuclear Agreement does not go through? Secondly there are a lot of people in this town who believe that this Bush administration at this time does not have the political muscle to push through any major agreement in Capitol Hill. Do you get that feeling as well?

Foreign Secretary Shyam Saran: I think I have already answered the question with regard to Civilian Nuclear Energy Cooperation Agreement, and I don't think that there is any need to belabor this point. India, United States relations are very wide ranging. We are talking about a knowledge initiative with regard to agriculture. We are talking about a whole range of cooperation between the two countries in the field of energy. We are talking about the United States and India working together on a whole range of global issues, global challenges, for example, HIV Aids. We are talking about India, United States cooperation on global terrorism. We are talking about India and United States working together on disaster management. India and the United States joined together to launch the United Nations fund for democracy. So I don't think that it is really fair to peg India, United States relations only on one particular thing. It is very wide ranging. As I said, and I will repeat, we have had a very positive exchange of views on the Civilian Nuclear Energy cooperation agreement and I go back very encouraged.

Question: The second part, what is the view on Capitol Hill?

Foreign Secretary Shyam Saran: In the meeting that I had with the Secretary of State, and in the meeting that I had with other interlocutors in Washington, it was put across to me that there is very strong commitment on the part of the United States administration to India - United States partnership.

Question: The officials in the Bush Administration with whom you have had discussions are waiting for a list from India as to how India would separate the civilian and military nuclear installations. When will this list be received by Washington and what kind of time-frame the two countries are looking at ?

Foreign Secretary Shyam Saran: As I said earlier President Bush would be visiting India in the first few months of next year and it will be our effort that all the initiatives that India and US have taken - there have been several this year - would be discussed and implemented. As far as separation of nuclear installations is concerned, I would say that the exchange of views during this visit would result in a positive outcome.

Question: Let me ask you the same question that I asked the White House. As far as the infiltration of terrorism across the border from Pakistan into India is still there according to Prime Minister and Defense Minister; where do we stand? Are you discussing all this terrorism and they are still supporting Pakistan? You just mentioned about fighting against global terrorism that we have cooperation with the United States; so where do we stand on this issue today?

Foreign Secretary Shyam Saran: In the spirit of our relationship, I have shared with the United States administration the phenomena of cross border terrorism as well. I have brought to their attention the fact that we still do not see a clear pattern in terms of the degrees and elimination of cross border terrorism and infiltration.

Question: So what is their answer sir? What are they saying, are they just listening, are they not doing anything?

Foreign Secretary Shyam Saran: We have been assured by the United States of America that this is a matter which is very high on the agenda of United States - Pakistan talks.

Question: Yesterday you said that you had come with certain ideas about the plan of the separation of the Civilian Military and Nuclear Installations. Could you tell us about the response from the United States side on your ideas or your plan for separation?

Foreign Secretary Shyam Saran: You know there is a joint working group in which we are exchanging ideas; we are trying to advance our common

agenda. I don't think it is necessary for me to go beyond what we have already stated. We have had a very positive exchange of views and we believe that we have made significant progress. I think that should be sufficient.

Question: The Bush administration has given the indication that the sooner a separation plan is given to them, the sooner they can possibly push this on the Hill. Did you actually give them a list of installations yesterday and today and secondly, what about the Canadian request for the Sirius reactor, is that going to be considered a civilian installation or a military one?

Foreign Secretary Shyam Saran: Again, since you have asked a question which has been asked before, which has been answered before, let me again repeat; Both the United States of America, as well as India are conscious of the time line in respect of the implementation of this agreement and we have exchanged ideas on the implementation of the July 18th agreement. We have, again I repeat, made significant progress in this regard, and we hope that we will be able to have a successful outcome of our deliberation, sooner rather than later. Again I see really no reason why one has to talk about this or that reactor. We are exchanging ideas on precisely what you spoke about in terms of the separation of civilian and military facilities and in terms of that exchange of ideas, we have made significant progress and we will continue to make progress.



549. Press release issued by the Embassy of India on the visit of Foreign Secretary Shyam Saran to Washington, DC.

Washington (D.C), December 22, 2005.

India's Foreign Secretary Shyam Saran concluded a two-day visit to Washington on December 22, 2005.

The purpose of the visit was to review progress in the implementation of the various understandings arrived at in the July 18 Joint Statement between the two countries in advance of the forthcoming visit to India by President Bush¹ in early 2006.

The Foreign Secretary called on Secretary of State, Condoleezza Rice and National Security Adviser, Stephen Hadley on December 21, 2005. In addition, he had a meeting, on Capitol Hill, with Senator Lugar, Chairman of Senate Foreign Relations Committee, on December 22, 2005.

During the visit, the second meeting of the Joint Working Group on Civil Nuclear Energy Cooperation, was convened. The Working Group is headed by the Foreign Secretary on the Indian side and R. Nicholas Burns, Under Secretary of State for Political Affairs, on the US side.

In addition, Foreign Secretary joined his counterpart in the Department of Energy, David Garman, to co-chair the first meeting of the Indo-US Steering Committee on Energy Cooperation, which is being pursued through five different working groups on Coal, Petroleum and Natural Gas, Non and New-Conventional Sources of Energy, Power and Energy Efficiency

1. Meanwhile on December 24 the National Security Advisor M.K. Narayanan in an interview to a private television channel expressed confidence that many of the contentious issues over the nuclear deal with the United States would be resolved before the visit of the American President Bush. "We are hopeful that by the time President Bush comes, he can have something like an in-principle agreement that is many of the contentious issues on either side have been ironed out", he said. This would be one of the "main deliverables" the two sides could reach when he arrived, "which we hope will be in early March," he said. The safeguards that applies to the civilian sector of the strategic programme would be completely based on it. "If both sides are reasonably satisfied with this as also certain changes and guidelines of Nuclear Suppliers Group, it is possible to move forward," he said. Asked if he expected the U. S Congress' approval for the Indo – U. S nuclear deal before the Bush visit, Mr. Narayanan said: "No, I don't think it will happen before President Bush comes to India," as the Congress was to have a recess.

and Civil Nuclear Energy cooperation (in areas not covered by the Joint Working Group).

The Foreign Secretary also met Eric S. Edelman, Under Secretary in the Department of Defense at the Pentagon, before his departure from Washington.

On civil nuclear energy cooperation the two sides exchanged views on the implementation of their respective commitments under the July 18 Joint Statement. The two sides also shared ideas about the processes that flow from these commitments in their own respective countries and in relation to their international partners. Significant progress was achieved in developing a mutual understanding of the steps needed to advance the early implementation of the agreement. The next meeting of the Working Group is likely to be held in January 2006 in New Delhi.

In his meetings with Under Secretary Burns, Foreign Secretary exchanged views on a wide range of bilateral, regional and global issues. The two sides expressed satisfaction at the progress achieved in taking the Indo-US strategic partnership forward and agreed that President Bush's forthcoming visit to India would be a landmark event in India-US relations.



550. Reaction of Official Spokesperson to the imposition of sanctions by the USA on two Indian companies for supply of some chemicals to Iran.

New Delhi, December 28, 2005.

Question: Do you have any reaction to news reports about sanctions on two Indian companies by the US?

Answer: I have a fairly detailed response to that. We have seen reports about the removal of sanctions on Dr. Surendar by US Government. We have also seen reports about imposition of sanctions on two Indian firms namely Sabero Organics Gujarat Limited and Sandhya Organics Limited under the US-Iran Proliferation Act, 2000. The removal of sanctions on Dr. C. Surendar vindicates Government's position¹ on this matter. Since the imposition of sanctions in September 2004, Government has maintained that this had no justification. Accordingly, we had urged the US Government to review the issue and withdraw the sanctions. The Government also reiterates that sanctions against Dr. Y.S.R Prasad should be removed. The sanctions imposed by the US Government on the two Indian firms relate to transfer of some chemicals to Iran. Our preliminary assessment is that the transfer of such chemicals is not in violation of our regulations or our international obligations. Government of India's commitment to prevent onward proliferation is second to none. We have instituted a rigorous system of export controls and our track record in this regard is well known. India is working with the international community including with the US as a partner against proliferation. In this context the imposition of sanctions by the US on our firms, which in our view have not acted in violation of our laws or regulations, is not justified.



1. It may be recalled that the Foreign Secretary Shyam Saran had told a press conference in Washington on November 2004 that "there is no basis for the action taken by the U. S (against the two Indian scientists) and have conveyed this to the U. S. Administration and we continue to urge that there should be an early review (of their cases) and these restrictions should be lifted." However, sanctions on the other Indian Scientist Dr. Y. S. R. Prasad have not been removed. These in any case are due to expire on September 22, 2006.

CENTRAL AND SOUTH AMERICA

CARICOM

551. Press release of the Ministry of External Affairs on the meeting of Minister of State Rao Inderjit Singh with CARICOM¹ Foreign Ministers in Suriname.

New Delhi, February 15, 2005.

1. Shri Rao Inderjit Singh, Minister of State for External Affairs had a meeting with the Foreign Ministers of CARICOM. The CARICOM Foreign Ministers promised to give the most positive and sympathetic consideration for India's candidature to Permanent membership of UN Security Council.
2. MOS announced project assistance of US\$1.3 million for computerization of the CARICOM Secretariat. He agreed to the request of CARICOM for assistance in the areas of IT, disaster management, HIV/AIDS and renewable energy. MOS agreed to consider increasing the number of training scholarships from the present level of 200 per year.
3. MOS offered government-to-government Lines of Credit to CARICOM countries. He announced the intention of India to become a member of the Caribbean Development Bank.
4. MOS agreed to the suggestion of CARICOM that India should organize a mega-business event in the region to promote trade, investment and joint ventures.
5. Yesterday MOS called on the President of Suriname as well as the Vice-President and Speaker of the National Assembly. He had a meeting with the Foreign Minister, which was also attended by seven Surinamese Ministers dealing with Education, Transport, Public works, Trade, Planning, Agriculture and Energy. Bilateral cooperation in these sectors was discussed. MOS visited the projects being executed by Indian companies such as Larsen & Tubro, Kirloskar and BEML.



1. The CARICOM comprises: 1. Antigua & Bermuda 2. Bahamas 3. Barbados 4. Belize 5. Dominica 6. Grenada 7. Guyana 8. Haiti 9. Jamaica 10. Montserrat 11. St. Kitts Nevis 12. St. Luca 13. St. Vincent & Grenadines 14. Suriname and 15. Trinidad & Tobago.

552. Press release of the Ministry of External Affairs on completion of computerization of the new Caricom (Caribbean Community) Secretariat building by Government of India.

New Delhi, August 10, 2005.

Computerization of the new Caricom (Caribbean Community) Secretariat building at a cost of 1.6 million US dollars undertaken by the Government of India was completed on 31 July 2005 at Georgetown, Guyana. The hundred percent grant project was announced by the Minister of State for External Affairs Shri Rao Inderjit Singh during his meeting with Caricom Foreign Ministers in February 2005 in Paramaribo, Suriname. The project was completed in five months.

The project was handed over to the Secretary General of Caricom, Mr. Edwin Carrington on 6 August, 2005 at a ceremony which was attended by Prime Minister of Guyana, H.E. Samuel Hinds and Foreign Minister, Rudy Insanally, among others Mr. Carrington, in his speech, profusely thanked the Government of India for undertaking the project and completing it on schedule, by TATA Infotech. He expressed the hope that this project would mark the beginning of a long-term cooperation between India and Caricom countries in the field of IT.

The project reflects the commitment of Government of India to develop cooperation and partnership with Caricom, which is emerging as a united entity of 15 countries in the Caribbean region. Caricom countries are pursuing integration of their economies into a common market by the end of 2005.

The first meeting of the Indo-Caricom Joint Commission Meeting is expected to be held in Georgetown, Guyana in October 2005. In this meeting more projects and programmes of cooperation will be discussed.



ARGENTINA

553. Press release of the Ministry of External Affairs on the visit of Minister of State Rao Inderjit Singh to Argentina.

New Delhi, April 27, 2005.

Minister of State for External Affairs, Rao Inderjit Singh, currently visiting Argentina, had two official bilateral meetings on April 26, 2005.

The first meeting was held with Mr. Alfredo Vicente Chiaradia, Secretary of State for Commerce & International Economic Relations and his team of six other officials from the Argentine Foreign Office and involved themes related to bilateral/multilateral economic and commercial aspects. While appreciating the growth and economic achievements of India, the Argentine side accepted to look into the modalities for bilateral cooperation in the field of automobiles and pharmaceuticals. It expressed its willingness to collaborate and cooperate with Indian institutions viz ONGC Videsh Limited (OVL) towards exploration of petroleum and gas in Argentina. It also offered to share and cooperate with Indian agricultural scientists its new technological developments including the "no tilling method" of farming. It invited Indian agro-industries to participate in some of the major agricultural fairs (including the one held in August in Buenos Aires every year).

Rao Inderjit Singh, extended an invitation to the Argentine Ministers for Health and Energy to visit India in order to familiarize and concretize the issues discussed during the current visit. He also appreciated Argentina's willingness to address our concerns regarding the import of finished pharmaceutical formulations from India.

The second meeting involving political issues was held with Argentine Vice Foreign Minister, Mr. Jorge E. Taiana and a strong eight member Argentine delegation. All-important bilateral and multilateral issues were discussed during the meeting. Minister of State extended an invitation to Mr. Taiana to visit India and also emphasized on the need for the visit of Argentine President Nestor Kirchner to India preferably in the first quarter of 2006.

The possibility for early conclusion of agreements related to Cultural Exchange Programme (CEP), Agricultural Cooperation between INTA and

ICAR and Cooperation and Sharing of Expertise in Power Sector was agreed by the two sides. It was also decided that both governments would work towards the finalisation of the agreements on Tourism and Sports. Mr. Taiana expressed great satisfaction for the restart of bilateral cooperation in the field of science and technology (Programme of Cooperation in Science and Technology for the year 2004-2006 was signed in August 2004) and stated that he was looking forward to the visit of an Indian delegation for the workshop on biotechnology to be held in Buenos Aires in the month of May 2005. On the issue of visa for visiting Indian businessmen to Argentina, the Argentine side assured that multi-entry visa with a validity of three years with entry upto 15 days each would be provided without the need for the production of an invitation letter from any Argentine company/business.

The visit of Rao Inderjit Singh, which has occurred after nearly two and half years of the last high level visit from the Ministry of External Affairs, has been highly successful and can be considered as a nodal point for the enhancement of bilateral relations between the two countries.

On April 21 the Spokesperson of the Ministry of External Affairs Navtej Sarna in his media briefing had told journalists that the visit of the MOS was part of the focused engagement with Latin America which was emerging as a new market for Indian exports and ally in multilateral affairs. He said India's exports to Latin America had reached 2 billion dollars in 2004. Giving an idea of the India – Argentina trade the Spokesperson said in 2004 India's exports to Argentina reached 154 million dollars and Argentina's exports to India were 563 million dollars and the trade was expected to go up further after the recent conclusion of Preferential Trade Agreement between MERCOSUR and India of which Argentina is a member. This agreement was signed in New Delhi on January 25, 2004 within the Framework Agreement for the creation of Free Trade Area between MERCOSUR and India. He also spoke of the possibilities for cooperation with Argentina in areas such as energy, agriculture and railways.



CHILE

554. Joint statement issued during the visit of the President of Chile Dr. Ricardo Lagos.

New Delhi, January 20, 2005.

On the invitation of the President of India, H.E. Dr. Ricardo Lagos, President of Chile, is on a State Visit to India from 18 to 22 January, 2005. This is the first-ever visit by a Chilean Head of State to India and is a landmark event opening a new era of friendship between the two vibrant democracies with highly dynamic economies¹.

During his visit, H.E. Dr. Ricardo Lagos held cordial and wide-ranging talks with the President of India, Dr. A.P.J. Abdul Kalam, Prime Minister, Dr. Manmohan Singh and External Affairs Minister Shri K. Natwar Singh. President Lagos visited Mumbai and held meetings with leading business leaders from various sectors. He will visit Bangalore on 21 January and interact with some of the key IT and biotechnology companies. The discussions were held in an atmosphere of friendship and understanding and both sides agreed to strengthen the bilateral relations. There was also detailed exchange of views on regional and international issues of mutual interest. The two sides noted with satisfaction understanding and similarity of views on many current international issues. Both sides agreed on the importance of a sound, transparent, equitable and rule-based multilateral trading system. The two sides agreed to join forces to achieve a balanced outcome of the Doha Development Agenda, particularly in the area of agricultural reform, and agreed to continue to coordinate their positions as members of the G-20, in order to ensure that the concerns of the developing countries are duly considered. The two sides underlined the immense

1. On January 17, the Spokesperson of the Ministry of External Affairs briefing the media on the visit had said that in the past Prime Minister Mrs Indira Gandhi had visited Chile in 1968 and President S. D. Sharma in 1995. The bilateral trade has grown significantly to reach US\$ 422 million in 2004. Indian exports were 82 million dollars and imports 340 million dollars. India's main exports to Chile include engineering products, cars, two wheelers, tractors, trucks, textiles, pharmaceuticals, chemicals and leather products. I-flex has got a 10 million dollar contract to provide banking software to Bank of Chile. Chile's major exports to India are copper (90% of the exports to India), fishmeal, fresh fruits, minerals and metals, paper pulp and wine. Chile has shown interest in purchase of Advanced Light Helicopters and Defence items from India.

potential for cooperation in defence, R&D, pharmaceuticals, biotechnology and IT services. Of special interest to the two sides are the pharmaceutical and biotechnology fields in which Indian proficiency could be used to mutual benefit. The two sides also agreed to explore possibilities for cooperation in mining, forestry, agriculture and education. The two sides noted with satisfaction that the bilateral trade has grown significantly in recent years reaching US\$ 420 million in 2004. The two sides appreciated the effort of the private sector in general and the leading business organizations in both countries to further bilateral trade and joint ventures. Both Governments emphasize the importance of holding in Santiago the III Ministerial Conference of the Community of Democracies scheduled for April 2005. Chile and India are two of the ten countries forming the Convening Group, whose active involvement confirms the priority afforded by both countries to the promotion and strengthening of democratic institutions and principles around the world. The two sides agreed on the urgent need for reforms of the United Nations and expansion of the Security Council to reflect the new realities of the international situation. India thanked Chile for its support to India for permanent membership of the UN Security Council. The following Agreements for Cooperation were signed during the visit:

1. Framework Agreement for Economic Cooperation. A PTA will be signed within 2005 and this will lead to a Comprehensive Economic Cooperation Agreement eventually.
2. Memorandum of Understanding between the Indian Council of Agricultural Research and the Chilean Agriculture Research Institute.
3. Memorandum of Understanding on Sanitary and Phytosanitary issues between the Ministries of Agriculture. The two sides noted that the proposed visits of the Chilean Minister of Health and the Minister of Defence in the first half of 2005 will open up cooperation in these sectors.



555. Framework Agreement to Promote Economic Cooperation between the Republic of Chile and the Republic of India.

New Delhi, January 20, 2005.

The Republic of Chile and **the** Republic of India (hereinafter jointly referred to as the “Parties” and in the singular as a “Party”);

Resolved to promote reciprocal trade and investment through the establishment of clear and mutually advantageous trade rules and the avoidance of trade and investment barriers;

Reaffirming: the rights, obligations and undertaking of the respective Parties under the World Trade Organisation (WTO) and other multilateral, regional and bilateral agreements and arrangements;

Recognising that regional trade agreements can contribute towards accelerating regional and global liberalization and as building blocks within the framework of the multilateral trading system;

Considering that the process of economic integration includes not only gradual and reciprocal trade liberalization but also the strengthening of greater economic cooperation between them;

Hereby agree as follows:

Article - 1

The aim of this Framework Agreement is to strengthen relations between the Parties, to promote the expansion of trade and to provide the conditions and mechanisms to negotiate a Free Trade Agreement in conformity with the rules and disciplines of the WTO and in accordance with the provisions of Article 4 of this Framework Agreement.

Article - 2

1. As a first step towards the objective referred to in Article 1, the Parties agree to conclude in 2005 a limited scope Preferential Trade Agreement (PTA), aimed at increasing bilateral trade through the granting of preferential access to their respective markets by means of mutual concessions.

2. The Parties further agree to undertake periodic negotiations with a view to expanding the scope of the PTA.

Article - 3

1. In order to achieve the aim set out in Article 2, the Parties agree to set up a Negotiating Committee which shall be headed by the Director General of International Economic Affairs or his representative for the Republic of Chile and by the Secretary of Commerce or his representative for the Republic of India. The other members of the Negotiating Committee shall be decided by the respective Parties.
2. The Negotiating Committee shall establish a schedule of work for the negotiations.
3. The Negotiating Committee shall meet as often as the Parties agree.
4. With a view to negotiate and conclude a PTA, the Negotiating Committee shall serve as the forum to:
 - i. Exchange information on tariff applied by each Party;
 - ii. Exchange information on bilateral trade, trade with third parties as well as on their respective trade policies;
 - iii. Exchange information on market access and non-tariff measures; sanitary and phytosanitary measures, technical regulations, rules of origin, safeguard anti-dumping and countervailing measures; special customs regimes and dispute settlement, among other matters;
 - iv. Identify and propose measures relating to trade facilitation;
 - v. Carry out other tasks as determined by the Parties.

Article - 4

1. In order to achieve the aim set out in Article 1, the Parties agree to set up a Joint Study Group (JSG) which shall be headed by the Director General of International Economic Affairs or his representative for the Republic of Chile and by the Secretary of Commerce or his representative for the Republic of India. The other members of the JSG shall be decided by the respective Parties.

2. The objectives of the JSG shall include:
- (i) To study the present status of commercial and economic exchanges between India and Chile, and the existing institutional framework, infrastructure and mechanism for bilateral trade;
 - (ii) To identify potential for cooperation between the growing economies of the two countries in:
 - a. trade in goods;
 - b. trade in services;
 - c. investment; and
 - d. other areas of economic cooperation
 - (iii) To identify priority areas for closer cooperation;
 - (iv) To identify constraints, barriers and impediments to closer cooperation, and recommend measures to remove these constraints;
 - (v) To make recommendations regarding moving towards a Free Trade Agreement (FTA) / Comprehensive Economic Cooperation Agreement (CECA), if such an arrangement is found to be feasible.

Article - 5

In order to broaden reciprocal knowledge about trade and investment opportunities, the Parties shall encourage trade promotion activities such as seminars, trade missions, fairs, symposia and exhibitions.

Article - 6

The Parties shall promote the development of joint activities aimed at the implementation of joint projects in mutually agreed areas by means of information exchange, training programmes and technical missions.

Article - 7

The Parties agree to cooperate in promoting a closer relationship among their relevant organizations in the areas of customs, plant and animal

health, technical standards and regulations, food safety, mutual recognition of sanitary and phytosanitary measures, including through equivalence agreements in accordance with relevant international criteria.

Article - 8

1. This Framework Agreement shall enter into force thirty days after the Parties have notified formally in writing through diplomatic channels, the completion of the internal procedures necessary to that effect.
2. This Framework Agreement shall remain in force, unless terminated by either Party by giving six months written notice in advance through the diplomatic channel of its intention to terminate it.
3. This Framework Agreement may be amended by mutual consent of the Parties by an exchange of Notes through diplomatic channels.

Article - 9

Any dispute between the Parties arising out of the interpretation or implementation of this Framework Agreement shall be settled amicably through consultation or negotiation between the Parties.

Done in the city of New Delhi on the 20th January 2005 in two copies in the Spanish, English and Hindi languages, all texts being equally authentic. In case of any inconsistency, the English text shall prevail.

Kamal Nath
Minister for Commerce & Industry

Ignacio Walker
Minister of External Affairs

For the Republic of India

For the Republic of Chile



CUBA

556. Press release issued by the Embassy of India in Havana on the visit of the Minister of State Rao Inderjit Singh to Cuba.

Havana, September 7, 2005.

Minister of State for External Affairs Shri Rao Inderjit Singh visited Havana, Cuba for three days from 3rd to 6th September 2005, in the background of the traditional closeness of India and Cuba in the Non-Aligned Movement, the chairmanship of which passes to Cuba in September 2005. The last bilateral visit, at the level of MOS, had taken place in June, 2003.

In addition to discussions on a schedule of meetings to discuss the NAM Summit in Havana in 2006, the visit also focused on the twin objectives of reviewing the state of Indo-Cuban bilateral relations and identifying new areas of economic and commercial cooperation with a view to transform the historically close political ties into a vibrant and contemporary relationship. Mr. Singh was accorded an overwhelmingly warm reception in Havana and had detailed meetings with policy makers which bore witness to the mutuality of the desire of the two sides to redefine their ties in modern terms.

In his meetings including with the Ministers of Foreign Affairs, Trade, Foreign Investment and Economic Collaboration and the Central Bank, Minister Singh announced India's intention of assistance to Cuba in the field of Information Technology and preparations for the NAM Summit. Agreements were signed in the areas of culture and consumer protection and preliminary discussions held for concluding agreements on avoidance of double taxation and BIPPA. Preliminary discussions were also held for bilateral cooperation in the fields of medical sciences, pharmaceuticals, deep sea oil exploration, sugar, bio-technology and agriculture.

Mr. Singh concluded his visit by inaugurating, along with the well respected Historian of Havana, Dr. Eusebio Leal, one of the best known names in Cuba, an extremely well-received exhibition of photographs on Churches in Goa by Benoy Behl. This was followed by a well-attended press conference which has received wide coverage in Havana.

More than the individual events or meetings, the visit of the Minister was marked by an unprecedented show of Cuban solidarity and support for India at all levels, both official and other. The time indeed appeared ripe for a restatement of the close but dormant relationship into an action-oriented one for the twenty-first century.



GUATEMALA

557. Memorandum of Understanding on Consultations between the Ministry of External Affairs and Ministry of the External Relations of the Republic of Guatemala.

New Delhi, May 4, 2005.

The Ministry of External Affairs of the Republic of India and **the** Ministry of External Relations of the Republic of Guatemala, hereinafter called "The Parties".

Desirous of increasing the mutual understanding and cooperation between both Ministries:

considering the benefits of the consultations and the exchange of opinion at all the levels of the bilateral relations, as well as in the international issues of mutual interest, and

Hoping to facilitate the mutual cooperation for the benefit of both countries,

Agree on the following:

1. The Parties will hold periodic consultations and will exchange information regarding all aspects of the bilateral relations, especially, in the areas of political, commercial, scientific, technological and cultural cooperation. In the same way, they will exchange opinions regarding the international issues of mutual interest.
2. The Parties will hold meetings, which will be presided by the high level functionaries of both Ministries. The date, venue and agenda of the meetings will be determined between both Parties, by the diplomatic means.

3. The current Memorandum will come into force on the date of the last notification communicated by the Parties in writing through diplomatic means, having complied with their respective internal legal requirements for the purpose. It will remain in force until any of the Parties notifies the other, six months in advance about its intention of terminating the same.

In Witness Whereof, the present Memorandum of Understanding is signed in the city of New Delhi, on the fourth day of the month of May 2005, in two original copies, in Hindi, Spanish and English, all having the same content and equally authentic. In case of divergence of interpretation, the text in English will prevail.

On behalf of the
Government of the
Republic of India

K. Natwar Singh
Minister of External Affairs

On behalf of the
Government of the
Republic of Guatemala

Jorge Briz Abularach
Minister of External Relations



PANAMA

558. Joint press release on the visit of First Vice President and Foreign Minister of Panama Samuel Lewis Navarro.

New Delhi, November 18, 2005.

H.E. Mr. Samuel Lewis Navarro, First Vice President and Foreign Minister of Panama, visited India at the invitation of the External Affairs Minister of India. He was accompanied by a delegation consisting of officials and businessmen. The Panama delegation had meetings with the Indian delegation led by Rao Inderjit Singh, Minister of State for External Affairs and had meetings with the Commerce & Industry Minister of India.

The Indian side welcomed the first-ever visit of the Foreign Minister of Panama. The two sides agreed to strengthen bilateral relations and have more frequent exchanges of high-level visits in the future¹.

1. Giving background of the visit, Official Spokesperson Navtej Sarna gave the following information to the media on November 17: "The bilateral trade in 2004 was about 60 million

The two sides agreed to explore and strengthen bilateral cooperation in areas such as science and technology, agriculture (including research and agro-industry), energy (including refineries, LNG and pipelines), non-conventional energy sources and maritime affairs. The Indian side, as part of its commitment to South-South Cooperation, agreed to share information, technology and extend cooperation in the areas of interest to Panama.

The Indian side expressed its willingness to assist Panama in capacity building in IT including through the setting up a Centre for IT training in the City of knowledge. The Panama side thanked the Indian side for the ITEC training scholarships being given annually for the nationals of Panama.

The two sides agreed to promote trade and business (exchange of delegations, participation in Trade Fairs and business seminars) between the two countries in collaboration with the Chambers of Commerce and private sector. The Panama side invited the Indian companies to invest in the Free Trade Zones and IT and biotechnology sectors in Panama.

The two sides exchanged letters of agreement facilitating business visas for visitors between the two countries.

The Indian side expressed its interest in strengthening dialogue and cooperation with the Central American Integration System (SICA) of which Panama is a member. Panama would explore the possibility of hosting the second India-SICA meeting in the first semester of 2006.

The two sides exchanged views on regional and multilateral issues, including UN reforms.



US dollars and there is scope to increase it significantly in the future. Indian companies consider Panama as the gateway to the larger markets of Central America and Caribbean. Panama is seeking Indian investment in their Free Trade Zones and in IT sector. The Indian side will request Panama to facilitate business visas for Indians...Panama and India are in the process of concluding an Agreement for cooperation in maritime affairs. The 12000 Indians in Panama are the largest Indian community in Latin America."

PARAGUAY

559. Joint statement issued at the end of the visit of Foreign Minister of Paraguay (Mrs) Leila Rachid.

New Delhi, March 22, 2005.

H.E. Dr. (Mrs.) Leila Rachid, Minister of External Relations of the Republic of Paraguay, visited India to participate in the G-20 meeting and for bilateral discussions from 18 to 22 March 2005.

She had meetings with the Minister of External Affairs Shri Natwar Singh and delegation-level talks with Shri Rao Inderjit Singh, Minister of State for External Affairs in the context of the Memorandum of Understanding on Mechanism Consultation signed on 4 October 2002.

During the bilateral meetings, the two sides agreed to strengthen cooperation and bilateral relations. The Indian side expressed its willingness to provide training in various areas of interest to Paraguay under the Indian Technical and Economic Cooperation (ITEC) Programme including in diplomacy and English language.

The Indian side welcomed the Paraguayan proposal to open an Embassy in New Delhi and agreed to facilitate the setting up of the Mission.

The Paraguan side had meetings with Indian industry and business with a view to promoting cooperation in the areas of railways, Information Technology, pharmaceuticals and agriculture.

The two sides welcomed the conclusion of the PTA between India and Mercosur and agreed to promote trade and business between the two countries. The two sides agreed to promote exchanges and agreements between academics and universities of the two countries.

The Indian side handed over a Draft Cultural Agreement for consideration by Paraguay. The Indian side expressed its willingness to extend cooperation and sign agreements in areas such as Science & Technology, Avoidance of Double Taxation, Promotion & Protection of Investment, Extradition etc.

The two sides exchanged views on regional and international issues

of common interest and agreed to continue to work together in multilateral fora, including in the struggle against terrorism and narco-traffic.

The two sides agreed on the urgent need for reforms of the United Nations and expansion of the Security Council to reflect prevailing international realities.

The Indian side accepted the invitation to hold the next consultation meeting in Paraguay at a mutually convenient date.

The Paraguay side thanked the Government of India for the hospitality and courtesies.



MEXICO

560. Joint communiqué issued on the fourth India-Mexico Joint Commission meeting.

New Delhi, October 21, 2005.

Ambassador Lourdes Aranda Bezaury, Vice Minister for Foreign Affairs of Mexico, visited India from 17 to 21 October, 2005 with a large delegation composed of senior officials from nine Ministries and Agencies to participate in the Fourth India-Mexico Joint Commission meeting held in New Delhi on 20-21 October, 2005. The Indian delegation was lead by Rao Inderjit Singh, Minister of State for External Affairs. Besides meetings at the Government-level, the Mexican delegation had interactions with the private sector, Chambers of Commerce and Academics in Delhi and Mumbai.

The two sides took note of the significant achievements rising global profiles and future potential of the two countries. They reaffirmed their respective governments' commitment to upgrade the bilateral relations and expand areas of cooperation through actions in the political, economic, cultural, educational, scientific and technological fields¹.

1. A press release of the Ministry of External Affairs issued on October 18 giving a background of the meeting said, "Mexico has emerged as the largest destination for India's exports to

They agreed to have more frequent exchanges of high-level visits and intensify dialogue at all levels. Ambassador Aranda presented a letter of invitation from the President of Mexico addressed to the Prime Minister of India. The Indian side renewed the invitation to the President of Mexico to visit India.

It was agreed that Ministerial interactions between the two countries would take place once a year either in their countries or on the margins of multilateral meetings.

The consultations at the Foreign Office-level would be maintained regularly and the next round of consultations would be held in Mexico in 2006.

The importance of exchanges and interaction between the legislators of the two large democracies for the future development of the relationship was recognized. The Indian side welcomed the upcoming visit of the Mexican Senate delegation in the week of 24 October, 2005.

The two sides exchanged views on international issues and agreed to continue cooperation and intensify consultations in areas of mutual interest in UN, WTO, G-5/G-8, G-15 and G-20 and other multilateral fora. They reiterated their commitment to strengthening of multilateralism to deal with the complex issues of the twenty-first century. They reaffirmed their fundamental belief in the values of democracy and condemnation of terrorism.

The two sides recognized that the bilateral trade and investment is

Latin America. In 2004, India's exports to Mexico were 871 million US dollars. In 2005, India's exports are expected to cross one billion dollars. Imports from Mexico in 2004 were 454 million US dollars. The bulk of the imports is crude oil. Mexico is one of the leading exporters of crude oil in Latin America. Indian companies have invested over a billion US dollars in Mexico. Most of this investment is accounted for by the steel plant of LN Mittal group. The Indian companies are exploring the possibilities for investment in joint ventures in Mexico in areas such as pharmaceuticals, IT and manufacturing. The Mexican companies have also started looking at India seriously for investment in joint ventures in infrastructure projects and food processing. Mexico is the largest trading nation in Latin America with 386 billion US dollars of trade in 2004. This accounts for 40% of the total trade of Latin America. Mexico is the second largest economy in Latin America with a GDP of 760 billion US dollars and a population of 100 million. Indian companies consider Mexico as the gateway to the markets of NAFTA and Central America. Given the economic and commercial importance of Mexico, the Government of India would like to enhance its bilateral relations and strengthen cooperation in various areas."

below the potential. However, they expressed satisfaction at the increase of trade and investment between the two countries in recent years and agreed to promote further growth in partnership with Chambers of Commerce and Industry and private sector. The Indian side invited Mexican business to take advantage of the opportunities arising from its fast-growing economy, large market and technology revolutions. The Mexican side welcomed the Indian companies to use Mexico as the hub for business with NAFTA and Central America and its FTA network with other countries. The two sides noted that the complementarities between the economies of the two countries lend themselves to mutually beneficial long-term partnership.

As part of joint effort to promote trade, investment and economic cooperation, it was agreed that the Agreements for (a) customs cooperation, (b) avoidance of double taxation and (c) promotion and protection of investment should be concluded at the earliest.

The two sides agreed to strengthen cooperation in agriculture, fisheries, oil and gas, non-conventional and renewable energy sources, science & technology, telecom, Information Technology including E-Governance and tourism and other areas of mutual interest that might be identified later.

The Indian side extended a special welcome to the Mexican President of CONACULTA during the Joint Commission Meeting and agreed to expand cultural exchanges, recognizing the richness and diversity of the cultural heritage of the two countries. The two sides agreed to promote institutional linkages and exchanges in the academic and educational sectors.

The two sides affirmed that the fourth Joint Commission meeting is the beginning of a new phase in bilateral relations in which India and Mexico would figure in the priority areas of foreign policy of each other moving towards long-term partnership.



561. Minutes of the Fourth Meeting of the India-Mexico Joint Commission.**New Delhi, October 21, 2005.**

The Meeting was co-chaired by Rao Inderjit Singh, Minister of State for External Affairs of India and Ambassador Lourdes Aranda Bezaury, Vice Minister for Foreign Affairs of Mexico. Ambassador Aranda was accompanied by a delegation composed of senior officials from nine Ministries and Agencies. Lists of the two delegations are attached. (*not included*).

The two sides took note of the significant achievements and future potential of the two countries in various spheres and agreed to upgrade the bilateral relations towards long-term partnership. They agreed to have more exchanges of high-level visits and dialogue including between the legislators of the two countries.

The two sides exchanged views on international issues and agreed to continue cooperation and intensify interaction in areas of mutual interest in UN, WTO, G-5/G-8, G-15 and G-20 and other multilateral fora.

The two sides recognized that the bilateral trade and investment are much below the potential. However, they expressed satisfaction at the increase of trade and investment between the two countries in recent years and agreed to promote further growth, in partnership with Chambers of Commerce and Industry and private sector. The two sides agreed to explore the possibility of setting up a High Level Group for the promotion of trade, investment and economic cooperation.

It was agreed that the Agreements for (a) promotion and protection of investment (b) avoidance of double taxation and (c) customs cooperation should be concluded at the earliest.

The two sides had extensive exchanges and agreed to continue consultations on various pending issues regarding market access for Indian and Mexican products.

The Indian side welcomed the participation of Mexican companies in the Indian airport projects in Mumbai and New Delhi and invited Mexican companies to participate in other infrastructural projects of India as well.

The two sides agreed to strengthen cooperation in agriculture, fisheries, non-conventional and renewable energy sources, science & technology. Information Technology including E-Governance and tourism. They agreed to explore other areas of mutual interest for cooperation.

The Indian side extended a special welcome to the visit of the Mexican President of CONACULTA during the Joint Commission Meeting and agreed to expand cooperation in culture recognizing the richness and diversity of the cultural heritage of the two countries. The areas of cooperation will include cultural festivals, exhibitions, archaeology and translation of books. The idea of setting up a Mexican Chair in an Indian university was considered in the meeting. It was also agreed to promote institutional contacts and exchanges in the academic and educational sectors.

The following agreements were signed during the Joint Commission Meeting:

- (i) Agreement for Cooperation between the Diplomatic Academies,
- ii) Cultural Exchange Programme 2005-2007;
- (iii) Educational Exchange Programme 2005-2007;
- (iv) Programme of Cooperation in Science & Technology 2005-2007 ;
and
- (v) Agreement Exempting Visa Requirement for Official and Diplomatic
Passport Holders

It was agreed that the next meeting of the Joint Commission would be held in Mexico City in the first semester of 2007.

Signed at New Delhi on 21 October, 2005.

(Rao Inderjit Singh) Minister of State for External Affairs of the
Republic of India

(Lourdes Aranda Bezaury) Vice Minister for Foreign Affairs of the
United Mexican States.



562. Agreement on Academic Cooperation between the Ministry of External Affairs of the Republic of India and Ministry of Foreign Affairs of the United Mexican States.

New Delhi, October 21, 2005.

The Ministry of External Affairs of the Republic of India, through the Foreign Service Institute, and the Ministry of Foreign Affairs of the United Mexican States, through the Mafias Romero Institute, ' hereinafter referred to as the "Parties";

Convinced of the importance of deepening knowledge in the fields of. bilateral relations and the foreign policies of both States;

Encouraged by the desire to establish regular links aimed at intensifying cooperation between both countries, in order.to contribute in this way to the strengthening and development of bilateral relations;

Aware of the importance of exchanging experiences that contribute to the strengthening of training activities for diplomatic personnel and of diplomatic studies;

Have agreed as follows:

**Article - 1
Objective**

The objective of this Agreement is establishing the framework for the development of cooperation activities in matters related to the training of diplomatic personnel.

**Article - 2
Means of Cooperation**

The cooperation between the Parties may take place through the following means:

- a) development on basic and advanced courses, including long distance and on line courses;
- b) the exchange of information and publications on training programmes, curricula of studies and other activities of common interests;

- c) the exchange of training materials;
- d) the exchange of experience on training organization;
- e) the exchange of experts, scholars and diplomatic trainees;
- f) the planning of Joint activities; and
- g) any other activities mutually agreed upon by the Parties.

Article - 3 Financing

The Parties shall finance the cooperation activities referred to in this Agreement with the resources assigned in their respective budgets, according to availability, budget appropriation and national legislation.

Each Party shall bear the cost of its participation, except in cases when the use of alternative financing mechanisms is considered suitable for specific activities, or when the Parties approve specific financial arrangements for said activities.

Article - 4 Intellectual Property

When some commercial valued products and/or intellectual property result from the activities developed in pursuant to this Agreement, they shall be regulated by the respective national legislation of the Parties, as well as applicable international conventions to which they are Party.

Article - 5 Follow-up Mechanism

In order to have a proper follow-up mechanism for the application of this Agreement, the Parties will each designate a representative; said representatives will act as coordinators of the follow-up for the cooperation actions referred to in this Agreement.

Article - 6 Settlement of Disputes

Any differences derived from the interpretation or application of this Agreement shall be resolved by mutual consultations between the Parties.

Article - 7
Final Provisions

This Agreement shall enter into force on the day of its signature and shall remain in force for a period of five (5) years. Thereafter, it may be renewed for periods of equal duration, unless one of the Parties declares its decision to terminate it by giving a notice in writing to the other Party, at least six (6) months in advance.

The termination of this Agreement shall not affect the conclusion of the activities, which have been formalized during its validity, unless the Parties agree otherwise.

This Agreement may be modified by mutual consent of the Parties, by written communication, specifying the date of entry into force of such modifications.

Signed at New Delhi City on the 21st day of October of the year two thousand and five, in two original copies, in the Hindi, Spanish and English languages, all being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

Atish Sinha
Secretary & Dean (FSI)
For the Ministry of External
Affairs of the
Republic of India

Lourdes Aranda Bezaury
Vice Minister
For the Ministry of Foreign
Affairs of the
United Mexican States



563. Agreement between the Government of the Republic of India and the Government of the United Mexican States on Exemption of Visa for Holders of Diplomatic and Official Passports

New Delhi, October 21, 2005.

The The Government of the Republic of India and the Government of United Mexican States, hereinafter referred to singularly as “the Party” and collectively as “the Parties”

Considering the interest of both countries to strengthen their friendly relations;

Desiring to facilitate the entry of the nationals of the Republic of India and the nationals of United Mexican States who are holders of diplomatic or official passports into their respective countries,

Have agreed as follows:

Article - 1

1. A national of either of the Parties, holding valid diplomatic or official passport shall be permitted to enter into, stay in and transit through the territory of the other Party for a period not exceeding ninety (90) days without visa.
2. If a national of either of the Parties holding said passport wishes to stay in the territory of the other Party for a period exceeding ninety (90) days, he/she shall require a visa before entering the territory.

Article - 2

1. A national of either of the Parties, who is assigned as a member of the diplomatic or consular staff in the territory of the other Party, and is in possession of a valid diplomatic or official passport, shall not be required to obtain a visa in advance to enter the territory of the other Party, but he/she must be accredited at the corresponding Ministry of Foreign Affairs within thirty (30) days of arrival. He/she shall, subsequently be granted appropriate visa in accordance with national legislation of the host Party. This right shall also apply to the spouse, their children and dependent parents of a

member of the Diplomatic Mission or Consulate provided they hold a diplomatic or official passport and form part of the household.

A national of either of the Parties holding a diplomatic or official passport who is employed by an international organization located in the territory of the State of the other Party shall also enjoy the rights mentioned in paragraph 1 of this Article in accordance with the headquarters agreement between the State Party and the international organization concerned.

Article - 3

1. Each Party reserves the right to refuse entry into, or shorten the stay in its territory of any national of the other Party whom it may consider undesirable (non grata).

2. If a national of either of the Parties loses his/her passport in the territory of the State of the other Party, he/she shall inform the concerned authorities of the host country for appropriate action. The Diplomatic Mission or Consulate concerned shall issue a new passport or travel document to its national and inform the authorities of the host Government.

Article - 4

Nationals of either of the Parties, being holders of diplomatic or official passports shall abide by the laws and regulations of the other Party while crossing its frontier and throughout the duration of their stay in its territory.

Article - 5

For the purposes of this Agreement, the Parties shall exchange through diplomatic channels, detailed specimens of their respective diplomatic and official passports within thirty (30) days before the entry into force of this Agreement. In case of any modification in the aforementioned passports, the Parties shall notify and provide each other the corresponding specimens, at least thirty (30) days before their introduction.

Article - 6

Either of the Parties reserves the right for reasons of security, public order or public health to suspend temporarily, either in whole or in part the implementation of this Agreement. The suspension and its termination will be immediately communicated through diplomatic channels to the other

Party, stating the date on which suspension or termination shall enter into effect.

Article - 7

The present Agreement may be amended by mutual consent by the Parties, in writing, formalized through written communication in which the effective date of the amendment must be clearly specified.

Article - 8

Any difference or dispute arising from the interpretation of this Agreement shall be settled amicably by consultation and negotiation between the Parties.

Article - 9

This Agreement shall enter into force thirty (30) days after the day of exchange of diplomatic notes confirming that all legal procedures of each party necessary for its entry into force have been completed.

This Agreement shall remain in force for an indefinite period, and may be terminated by either Party by a written diplomatic notification through diplomatic channels, which shall enter into force sixty (60) days after the date of notification.

Done at New Delhi on this 21st day of October in the year two thousand five in two (2) originals; each in Hindi, Spanish and English, all texts being equally authentic. In the event of any divergence in interpretation, the English text shall prevail.

For the government of
the Republic of India

For the Government of
United Mexican States



VENEZUELA

564. Speech of President Dr. A. P. J. Abdul Kalam at a banquet in honour of the President of the Bolivarian Republic of Venezuela Hugo Chavez.

New Delhi, March 4, 2005.

Your Excellency Mr. Hugo Chavez,
President of the Bolivarian Republic of Venezuela,
Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to welcome you and your delegation to this first-ever State visit to India by the President of the Bolivarian Republic of Venezuela.

We, in India, consider Venezuela as the land of Simon Bolivar, the liberator of South America. We admire the courage, the vision and the achievements of this great leader. Many of his ideas are still relevant even today. His dream for a united Latin America is taking shape with the ongoing integration process in the region. We recall his words: "We still need to lay the basis of the social pact, which will make all this Continent one single nation, formed of many Republics; our Republics will be joined in such a way that they will seem to be brothers, joined by all the links that bound us in the past, though we may have different laws and different Governments".

Mr. President, you are bringing about a socio-economic revolution through the upliftment and empowerment of the people of Venezuela. We in India attach great importance to poverty alleviation and reforms with a human face. We would be willing to share our developmental experience with you in all these areas.

India's experience and achievements in the fields of agriculture, small-scale industries, education, railways, low-cost housing and information technology could be of relevance to Venezuela. We would be happy to establish a partnership with Venezuela in these areas in the spirit of South-South Cooperation.

Mr. President, India and Venezuela have always had friendly relations. However, the relations have not realised the full potential, which could be generated between our two countries. The time has now come to broaden our relationship. In particular, we would like to increase our engagement in the field of trade and commerce. Our two economies are complementary. India is a large and growing consumer of oil while Venezuela is one of the top oil producers. India is looking for global opportunities for investments and joint ventures in the hydrocarbon sector. I am happy to note that the Government of Venezuela is considering a request by ONGC Videsh Limited for exploration and production of oil in your country. This coincides with the strategy of Venezuela to diversify its oil business and we could develop synergy in this area.

The Indian economy is growing at a fast pace and the country has developed strengths in many fields including Information Technology, and Bio-technology. We are moving towards the new era of 'information society' and 'knowledge society'. Indian industry has become globally competitive in sectors such as pharmaceuticals, chemicals etc. Since Venezuela has a wide variety of bio-diversity, our pharmaceutical industry could assist in converting this bio-diversity material into marketable drugs. The opening of the Indian economy in recent years has released a new entrepreneurial spirit in the country. We could thus offer cooperation to Venezuela in many of these fields.

The role of United Nations is becoming more and more crucial to deal with the increasingly complex political, economic, security and social issues which face the world today. There is an urgent need to strengthen and reform the United Nations. The UN Security Council needs to be reformed to reflect the realities of today. India, with its one billion people is willing to take on responsibilities as a permanent member in an expanded UN Security Council to represent the interests of the developing world. India is also committed to working with Venezuela in G-15, G-77, NAM and in the UN, WTO and other multilateral fora on issues of common interest. India is also keen to establish partnership with the Andean Community and Mercosur, in which Venezuela plays an active role. I would like to thank you for the support, which you have offered for India's candidature in the enlarged U.N. Security Council.

At the end, I would like to say that we are very happy to have you

and your delegation in India. We are sure your visit will pave the way for a more intensive and wide ranging engagement between our two countries and that we shall be able to march ahead confidently to the future as close partners in trade and commerce. I would like to recall your New Year Greetings to me, where you had quoted Pablo Neruda: "I came here to sing and so that you can sing with me". Mr. President, let both our countries sing the song of co-operation and prosperity.

May I now request the Distinguished Guests to join me in raising a toast to:-

- the health of His Excellency President Hugo Chavez;
- the prosperity and well-being of the people of the Bolivarian Republic of Venezuela; and
- the partnership and friendship between India and the Bolivarian Republic of Venezuela.



565. Joint statement issued during the visit of the President of Bolivarian Republic of Venezuela Hugo Chavez Frias.

New Delhi, March 5, 2005.

On the invitation of the President of India, H.E. Mr. Hugo Chavez Frias, President of the Bolivarian Republic of Venezuela, is on a State Visit to India on March 4-7, 2005. This is the first-ever bilateral visit by a Venezuelan Head of State. The last high-level bilateral visit to Venezuela from India was in 1968 by the late Prime Minister, Smt. Indira Gandhi.

President Chavez had meetings with the President of India, Dr. A.P.J. Abdul Kalam, Prime Minister, Dr. Manmohan Singh, External Affairs Minister, Shri K. Natwar Singh and Petroleum and Natural Gas Minister, Shri Mani Shankar Aiyar.

The following Agreement/MOUs were signed during the visit:

- i) Agreement for Cooperation in the Hydrocarbon Sector;

- i) MOU for Establishment of Joint Commission;
- ii) MOU for Cooperation in Biotechnology;
- v) MOU for Cooperation in Space Science and Technology;
- vi) MOU between ONGC Videsh Ltd. and PDVSA (Venezuelan State Petroleum Company);
- ivii) MOU between IRCON and IAFE, the Venezuelan Railway Authority

The Indian side agreed to share its developmental experience and appropriate technologies with Venezuela in various fields including Science & Technology, healthcare, low-cost housing, agriculture, Information Technology and poverty alleviation. It was agreed that the first meeting of the Joint Commission would be held as early as possible at a mutually convenient date to identify the areas of cooperation in various sectors.¹

The two sides exchanged views on regional and international issues of common interest and agreed to continue to work together in forums such as NAM, G-15, G-77, UN, WTO etc. They underlined the need for revitalization of NAM so that it emerges as a major pole in a multipolar world, by becoming a collective, pragmatic and serious voice of the South. They reiterated the centrality of the United Nations Charter and the principles of international law in the preservation of international peace and security.

1. The Official Spokesperson briefing the media on March 2 said that this was the first-ever State Visit by a President of Venezuela to India. He said that the ONGC Videsh Ltd. (OVL) was interested in investment in Venezuela in exploration and production of oil. The Reliance Industries was already importing crude oil from Venezuela for some time. Oil India Ltd. has collaboration with the Venezuelan State Oil Company PDVSA for extraction of heavy crude in Rajasthan. Venezuela is one of the top five oil producers in the world and is an active member of OPEC. Giving figures of bilateral trade between the two countries the Spokesperson said "India's exports to Venezuela in 2004 were over 50 million US Dollars. There is scope to increase the exports to over 200 million. There is potential for Indian investment and joint ventures in the petroleum sector, Mining, IT, railways, pharmaceuticals and low-cost housing in Venezuela." On the political level he said India and Venezuela work together in G-15, G-77, NAM and in UN and WTO. The visiting President told a gathering of industrialists on March 4 that he was looking for new markets such as India to sell his country's oil. He said one of the most important aspects of his visit to India would be the initiation of a partnership in the energy sector. He said he wanted Indian companies to be involved in the development of Venezuela's off-shore gas fields. "We have the largest gas deposits in Latin America – 120 trillion cubic metres of proven reserves...Companies from France, England and the US are already there. Why not India?" he asked.

The two sides agreed on the urgent need for reforms of the United Nations and expansion of the Security Council to reflect the new realities of the international situation. The Venezuelan side expressed support to India's candidature for permanent membership of the United Nations Security Council.



566. Memorandum of Understanding for the establishment of a high level Joint Commission between the Republic of India and the Bolivarian Republic of Venezuela.

New Delhi, March 5, 2005.

The Government of the Republic of India and **the** Government of the Bolivarian Republic of Venezuela hereinafter referred as "The Parties",

Convinced of the need to deepen and broaden the bonds of friendship between their people, through new forms of cooperation;

Conscious of the benefits derived from creative dialogue at the highest level of government as a mechanism to identify projects and encourage cooperation between both countries;

With the Purpose of providing a new impetus to cooperation between both countries;

Desirous to strengthen the exchanges and reaffirming the possibility of establishing relations between developing countries;

Have reached the following understanding;

Article - 1

The Parties agree to establish the High Level Joint Commission, (hereinafter referred to as "The Commission") with the object of increasing reciprocal awareness and trust and constantly broaden collaboration between both states on the basis of mutual cooperation.

Article - 2

The Commission shall be composed of High Level Representatives

from both Governments and shall be presided by the Minister of External Affairs from the Indian side and the Minister of Foreign Relations from the Venezuelan side or by those designated by the concerned Ministers.

The Commission may invite representatives of other government organizations to participate, where these may be relevant to issues included in the agenda, as well as other representatives from the economic, scientific, cultural and academic sectors of the country.

The Commission shall/may establish technical commissions for the analysis of specific topics.

Article - 3

The Commission shall have the following mandate:

- a) To consider appropriate measures to strengthen relations between the Parties in areas of common interest including political, economic, scientific, technological and cultural cooperation:
- b) To identify, analyze and evaluate the most relevant aspects to the Parties in order to determine the main objectives of common interest and to recommend ways and means to implement them;
- c) To indicate top priority areas on which the cooperation should take place;
- d) To examine the development of the different Bilateral Agreements in effect between the Parties as well as the implementation of the decisions made by the organizations appointed to execute them;
- e) To explore possibilities and means to stimulate relations between commercial and industrial enterprises of both countries, with the objective of promoting bilateral exchange;
- f) To consider the necessary means to promote the transfer of technology,
- g) To promote the study and consideration of mutually acceptable topics and, if necessary, to establish committees and working groups to consider specific issues.

Article - 4

The Commission shall meet whenever it deems it necessary in order to carry out consultations of mutual interest in matters regarding international, regional and "bilateral relations. Such meetings shall take place alternatively in New Delhi and Caracas, on dates mutually agreed upon through diplomatic channels between the Parties.

Article - 5

Any doubts and controversies that may rise from the interpretation and execution of the present Memorandum of Understanding shall be resolved by means of direct negotiations between the Parties.

Article - 6

The present Memorandum of Understanding shall come into force on the date of its signing and shall have a duration of five years. Thereafter, it may be automatically renewed for similar periods unless either of the Parties notifies the other of its intention of terminating it, in writing, through diplomatic channels and at least six months prior to the date of expiration of the MOU. The termination shall come into force six months after the receipt of the notification by the other Party.

Signed in New Delhi on 5th of March of 2005 in two originals each in Hindi, Spanish and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

On behalf of the
Government of the
Republic of India

On Behalf of the
Government of the
Bolivarian Republic
of Venezuela

Name : Sh. K. Natwar Singh

Name : Dr. Ali Rodriguez Araque

Designation : Minister of
External Affairs

Designation : Minister of
External Relations



INDIA'S FOREIGN RELATIONS - 2005

Section - X Europe

EUROPEAN UNION

567. Opening remarks by Foreign Secretary Shyam Saran at the meeting on India-European Union Strategic Partnership.

New Delhi, February 24, 2005.

Ambassador Steinmetz, Mr. Jouanjean, Dear Colleagues and Friends,

It is indeed a pleasure to be here today at this meeting, which will discuss the various elements of the India-EU-Strategic Partnership.

We are glad that the EU side is represented here in such a large number, indicating the importance you attach to the Strategic Partnership with India. On our part, we have a large team representing over 25 different Departments and Ministries in the Government of India, apart from representatives from the apex Chambers of Commerce. I would like to welcome all of you to what we hope will be two days of intense and productive brainstorming in all the various areas in which we wish to take our Strategic Partnership forward.

The 5th India-EU Summit at The Hague last November launched the India-EU Strategic Partnership. I would like to congratulate the European Commission for having put together an excellent Strategy Paper and to thank the European Council and European Parliament for having extended strong support to these proposals. India made a substantive response to these proposals in its preliminary Response Paper. It is our expectation that this meeting will go into the various ideas expressed and proposals made in these documents, and that these would, in the course of the next few months, be developed into a substantive Agenda for Action between India and the EU.

We note that this Strategic Partnership is the sixth such partnership that the EU has instituted, and that these Strategic Partnerships - with the US, Japan, Canada, China, Russia and India - are a recognition of existing realities and political equations. We believe that the India-EU Strategic Partnership is relevant not just to what we share today, but to what we see together as do-able in the foreseeable future. It is more than just the sum of our cooperation in various sectors. We see it as a qualitative transformation

in the way we engage with each other and together in partnership, how we engage with the world at large.

Friends, India and the EU as the two largest democracies in the world, are two of the foremost examples we have today, of multiculturalism. With the EU's expansion last year to 25 countries, the EU is now almost as diverse as India is, in the pluralistic aspects of our democracy. Our shared values and beliefs in democracy, human rights, pluralism in civil societies, an independent media and judiciary make us natural partners as well as factors of stability in the present world order.

India and the EU also have much to contribute towards fostering a rule-based international order - be it through the United Nations or through the WTO. We hold a common belief in the fundamental importance of multilateralism in accordance with the UN Charter and in the United Nations reflecting the realities of the 21st century in order to become truly representative and effective. Indeed, we see India and the EU as indispensable poles in the emerging multipolar structure, given their large and representative populations and strong democratic traditions.

The European Union has moved decisively in forging a Common Foreign and Security Policy. This has significant implications for India's foreign policy, since we can hope to draw upon the greater cohesiveness of the European perspective on major strategic issues.

India and the EU have much in common on many of the challenges that face us today – globalisation, terrorism, energy and environment. In areas where there may be need for a greater degree of common ground, we must strive for progress by putting aside old mindsets and adopting a forward-looking approach. International diplomacy, after all, is about identifying areas of common ground between apparently differing positions. However, given the democratic underpinnings of our decision-making processes and the individual characteristics of our socio-economic landscapes, there could still be areas where we may agree to disagree, in a spirit of mutual respect. This would only be natural, given the wide span of areas in which we interact with each other.

Friends, we have before us a large Agenda. On the political side, we would be looking at a host of issues, from enhancing effective multilateralism to possibilities of cooperation in peace-keeping, conflict management and post-conflict assistance initiatives under the aegis of UN operations. We are looking at ways to broaden and intensify our dialogue

on counter-terrorism and combat organised crime. We look forward to discussing migration issues, including the implications of the changing demographic profile in Europe and the opportunities this would create for greater cooperation with India, which has a vast reservoir of skilled manpower.

We also need to look at strategies to enhance mutual visibility in our countries in order to promote greater understanding between our peoples. We need to see how to put into immediate effect the Cultural Declaration that we announced at the 5th Summit. Increased parliamentary and academic exchanges should form an important component of this exercise. I am glad to note that India and the EU have signed the MOU for the India Window of the Erasmus Mundus Programme.

Friends, India and the EU are already important trade and investment partners. Trade with the EU has grown from around US \$ 20 billion in 1999-2000 to the present level of about \$ 28 billion. This works out to a modest annualised growth rate of just 3.5%. It is evident that there is considerable untapped potential in our business relationship. While the EU is trying to implement its Lisbon strategy to make Europe the world's most competitive economy by 2010, we are committed to eliminating poverty through economic reforms for accelerating growth, investment and employment. We would welcome greater involvement by European companies in realizing our objectives of achieving faster economic growth and poverty eradication.

As we integrate ourselves more and more with the global economy, foreign trade will increasingly become the driving force of our economic growth. Increased trade and investment flows between India and the European Union are key ingredients to the success of what we want to achieve. As we look to increased market access in the EU for our goods and services, we are determined to put in place an economic environment in India that fosters investment, both domestic and foreign. Our ongoing dialogue with the EU already encompasses a wide canvas of economic activities. To further deepen our relationship, we propose to expand this process and enhance our engagement in several other areas such as services, industrial modernization, research & technological development, energy, maritime transport and air services. Besides the traditional areas, we also need to look at doing business with each other through joint collaborations in frontier areas of technology such as biotechnology, nanotechnology, space, IT and genome research for mutually beneficial partnerships.

It is our desire to move increasingly towards partnership in cutting-edge technologies, in a manner that synergises India's strengths with the EU's capabilities. We have already decided to form an Energy Panel to coordinate our joint actions in this increasingly important area and are engaged in finalising the Terms of Reference that will guide the activities of this group. We have agreed to constitute an India-EU Environment Forum. We hope to have meetings of both in the first half of this year. We have also successfully concluded negotiations over the Galileo Framework Agreement, which is ready for signature in the coming weeks.

I am glad that our bilateral scientific cooperation is an important element in our Strategic Partnership. We have some of the best platforms for R&D in the world. The possible areas of cooperation cut across a wide spectrum, all the way from fundamental research, to information technology, medicine and health. There are several fine academic and research Institutions that sustain this drive of ours. Our centres of higher education and learning have created a vast reservoir of world-class skilled and trained professionals. Recognising India's strengths, many of the Fortune 500 companies from the US have already located themselves in India and over 100 of them have established their R&D bases here. Indian institutions can work with European institutions to develop partnerships in areas that are mutually productive and useful.

India and the EU played a pivotal role in the formulation and adoption of the WTO Framework Agreement arrived on 1st August 2004 at Geneva. While the text reaffirms the value and primacy of the multilateral trading system and the importance WTO Members attach to it, much substantive work remains to be done in many areas. I am sure some of these areas will be examined today and tomorrow in the Working Group meetings. Our hope is that the Doha Work Programme will get the necessary impetus and reach early fruition.

Friends, the discussions over the next two days will lay the foundation for substantive negotiations in the coming weeks. On the basis of the interactions at these meetings, we will begin negotiating the text of a Joint Action Plan, both at Brussels and at New Delhi, for adoption at the 6th India-EU Summit in New Delhi later this year, under the UK Presidency of the European Union.

I would like to conclude by again wishing the two sides a stimulating and productive exchange of views.¹



568. Closing remarks by Additional Secretary Mrs. Suryakanthi Tripathi at the meeting on India-European Union Strategic Partnership.

New Delhi, February 25, 2005.

Amb. Steinmetz, Mr Jouanjean,

Dear friends and Colleagues,

I think we are all agreed, on your side as well on ours, that the

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1. A day earlier on February 23 the Official Spokesperson of the Ministry of External Affairs Navtej Sarna briefed the media on the importance India attached to these consultations and the agenda of the meeting. He said: "The India-EU relationship has assumed strategic depth and maturity in recent years with the enhancement of bilateral interaction to Summit-level dialogue in 2000. The first India-EU Summit in Lisbon on June 28, 2000 represented a watershed in the evolution of this relationship, with the institutionalization of the annual Summit-level interactions. It may be recalled that the 5th India-EU Summit at The Hague in November 2004 had formally launched the India-EU Strategic Partnership. The European Commission had presented a comprehensive Strategy Paper in June 2004 with a view to enhancing India-EU relations to the level of a Strategic partnership. India had made a substantive response to these proposals, through a preliminary Response Paper in August 2004. These two documents together would serve as reference points for developing a substantive Joint Agenda for Action. This will serve as a broad roadmap for bilateral relations and when implemented, will upgrade our interactions to an enhanced Strategic Partnership covering the entire gamut of bilateral relations. The Strategic Partnership with India is the sixth such partnership that the EU has instituted, the others being with the US, Japan, Canada, China and Russia. The EU is India's largest trading partner with a steady growth in volume and diversity since 1993. Bilateral trade was approximately Euro 28 billion in 2003. The EU accounts for 26% of our exports and 25% of our imports. The EU is also one of our major sources of foreign direct investment, with countries like the UK, Germany France, Belgium, Italy and the Netherlands accounting for a large proportion of the investment. Of the total FDI approved from 1991 to 2003, EU proposals account for \$ 16.26 billion, which works out to 21% of all approvals. The meetings on 24th and 25th February 2005 are structured to be a free and frank exchange of views that will identify specific areas for inclusion in the Joint Action Plan. All issues of interest to either side will be discussed through Working Groups and Sectoral Sub-Working Groups. The participants from the EU side would consist of representatives of EU member countries including Luxembourg, which currently holds the Presidency of the EU. There will be representatives from the European Commission as well as from the European Council Secretariat. On the Indian side, there would be a team consisting of representatives of the various departments and Ministries in Government of India apart from representatives of apex chambers of commerce."

discussions we have had over the past two days on the various aspects of our strategic partnership have been stimulating and constructive.

We deeply appreciate the positive tone that we have had in our discussions. We believe that the free and frank exchanges over the last two days have not only helped us better understand the various proposals made in the European Commission Strategy Paper and India's Response Paper, but we also understand each other better now.

Armed with this understanding, we should now be able to work more purposefully and with greater focus towards drafting the text of the Joint Action Plan in the months leading up to the 6th India-EU Summit in New Delhi.

We believe that our Strategic Partnership, as it evolves, will catapult our relations to a higher trajectory, that is much more intensive and broad-based than what we have today. The challenge, of course, is to establish priorities and find ways to implement and operationalise these agenda items.

As our Foreign Secretary noted in his Opening Statement, we have already agreed on certain projects at the 5th India-EU Summit at The Hague, which will take our cooperation forward in areas of mutual interest and in the cutting-edge areas of technology; the Framework Agreement for India's participation in the Galileo Project, the Energy Panel, the EU-India Environment Forum and the India Window of the ERASMUS MUNDUS Scholarship Programme.

The Indian economy is now at a crucial stage, poised for a developmental leap in the coming decades. As democracies, I have no doubt that we will demonstrate mutual understanding in the way our decision-making processes operate and the interplay of various factors that provide inputs to this process. While our shared values and our belief in the capacity of debates and discussions to provide better solutions for our societies will naturally offer us a large canvas to work together on, but still there could be areas where we might have different perspectives, given our differences in the stage of development and the individualities of our socio-economic landscapes. We need to accept such differences as we may have in a spirit of mutual respect. The constructive spirit displayed in our discussions shows the value we both attach to this fundamental principle of engagement in a mature and broad-based relationship.

We trust that our discussions on political issues and promoting mutual understanding have led to greater clarity on both sides. We note that there has been considerable convergence on many issues. We agreed that the existing dialogue mechanisms are functioning smoothly and that our priority should be to make them more effective and substantive so that we are able to achieve greater efficiency in taking forward the action points with commitment and sincerity.

We are also agreed that in new areas where we intend to interact with each other, we would initiate dialogue and see where it leads us.

We recognized that in a fast integrating world, effective multilateralism is imperative. We reiterated our commitment to strengthening it through consultations before and on the margins of UN meetings on various issues and through reciprocal invitations to each other's conferences. A dialogue on UN Peace Keeping and related issues between India and the EU would be most useful in better understanding the opportunities to cooperate more closely in realizing our common objectives in this area. If felt useful, and if both sides approve, this could finally result in a Joint Working Group.

We agreed to continue consultations on regional developments. We noted the convergence of views on shared values and a shared approach in South Asia. We feel that it would be useful to understand each other better in our efforts to deal with sensitive issues.

India already has dialogues on security issues with a few individual EU Member States. We are interested in improving our understanding of the CFSP, ESDP and Rapid Reaction Force, which are new and evolving. We welcome dialogue on security issues, disarmament and non-proliferation with the EU. This would help both the EU and India to broaden their respective understanding of the inter-connected dynamics of security and disarmament issues.

We also agreed that it is in our mutual interest to enhance the mandate of the JWG on International Terrorism. We hope to achieve greater clarity on the avenues for cooperation on these and related issues.

The EU is already involved in several SAARC development programmes. We would welcome the EU's involvement in poverty alleviation

projects through greater contacts with the SAARC Secretariat and naturally with the concurrence of our SAARC partners.

On Human Rights, we noted that both the EU and India have a strong commitment to Human Rights. We feel that our common objectives of upholding universal principles of human rights should be pursued in a manner that is non-intrusive and non-prescriptive, with due respect and recognition for each other's democratic processes. Existing channels of dialogue in this area are working satisfactorily and may be constructively utilised in a spirit of mutual respect and understanding.

We are glad to note the mutual interest in organising a seminar on 'Pluralism and Diversity'.

We had a substantive and useful discussion on consular and migration issues. Since this requires a better understanding of the proposals made as well as the competencies of the various arms of the EU, we welcome the suggestion from the EU side for a paper outlining the various areas proposed for discussion.

We fully support increasing Parliamentary exchanges between India and the EU. We look forward to the visit of the President of the European Parliament to India soon and hope that our Speaker will be able to visit the European Parliament in the near future. We also discussed the need for greater academic, cultural and media exchanges between India and the EU. Details of the exchange programmes have been discussed. We need to enhance mutual visibility through coordinated programmes and efforts.

I would like to once again with to thank the EU side for the productive discussions over the past two days and hope that we would now be able to quickly get on with the exercise of putting together the Joint Action Plan.



569. Address by External Affairs Minister K. Natwar Singh at the launch of the India- European Union Parliamentary Forum.

New Delhi, April 2, 2005.

Onkar Kanwar Sahib, Shri Trivedi, Your Excellencies, Fellow Parliamentarians, Friends, Ladies and Gentlemen,

I am honoured to address this distinguished gathering of Parliamentarians at the launch of the India-EU Parliamentary Forum.

This is an important initiative, coming at a time when the EU has just completed the largest enlargement exercise in its history and India-EU relations are poised to grow significantly, with the launching of the Strategic Partnership last November at the 5th India-EU Summit in The Hague. I was present on this noteworthy occasion.

I wish to thank my distinguished Parliamentary colleagues Shri. Dinesh Trivedi and Shri. Robert Kharshling for their interest in setting up and presiding over this Forum. I would also like to commend¹ FICCI's role in this Forum, which I believe is the fourth such Parliamentary Forum it supports. The setting up of this Forum sends out a clear message on the importance that India attaches to enhancing its relations with the EU at every level, including at the level of Parliament.

India and the EU are the largest democracies in the world. It is only fitting that our Parliamentarians should maintain close and regular contacts. Greater understanding of issues concerning this region by Members of the European Parliament is important to shape and guide debates in the European Parliament. Similarly, it is important that our Members of Parliament have a deeper understanding of issues related to the EU, especially those which directly impact on India, such as trade and economic issues.

The European Parliament has come to play an increasingly important role in the EU, especially in trade policy areas. Debates in the European Parliament, particularly those which take place in the Committee on Foreign Affairs reflect a growing interest by Members of European Parliament in the

1. Federation of Indian Chambers of Commerce and Industry.

Common Foreign and Security Policy of the European Union. These debates often touch upon issues of interest to us.

It is our expectation that enhanced interactions between the two Parliaments will help us better understand each other's points of view. It will also encourage greater understanding of each other's working methods and scope of responsibilities. The importance we attach to this aspect of our relationship is evident from the fact that it has been specifically identified as an action point under the India-EU Joint Action Plan, which is currently being drafted. This would include holding of regular Parliamentary exchanges, including possibly at the level of Parliamentary Committees.

The intensification of relations between India and the EU is nurtured by a commitment to shared values: democracy, pluralism, human rights and respect for rule of law. Both of us place great emphasis on institutions such as a free press and an independent judiciary.

India and the EU now consider each other as Strategic Partners. This is only the sixth such Partnership that the EU has instituted, its other Strategic Partners being the U.S., Japan, Canada, Russia and China. We believe that the EU-India Strategic Partnership is based on a recognition of mutuality of interests and the great potential that both sides see for enhanced cooperation over numerous areas.

The last 10 years have been momentous for Europe. Enlargement has made Europe virtually the world's largest economy, with a population of 450 million. The EU is already India's largest trading partner, accounting for 26% of our exports and 25% of our imports. The EU is also one of our major sources of foreign direct investment, with countries like UK, Germany, France, Belgium, Italy and the Netherlands accounting for a large proportion of the investment. Trade and investment relations between India and the EU, although sizable, are still far below potential.

We need to change gear in order to be able to achieve this potential. Areas such as knowledge industries, biotechnology, chemicals and pharmaceuticals, automobile parts and information and communication technology readily come to mind as possible areas for cooperation between the two sides. We also wish to focus on enhanced cooperation in areas of cutting edge technologies in a manner that synergises India's strengths with the EU's capabilities.

From the EU side, companies need to realize that economic reforms in India have thrown up significant opportunities for investment in the power sector, development of ports and inland waterways, road construction, airport construction and management and food processing, to name a few. Europe has been an industry leader in many of these sectors. European companies should therefore take the lead in accessing the ready opportunities offered by these sectors, which are poised to record unprecedented growth in the coming years. Indian business, on the other hand, needs to demonstrate some deft footwork in repositioning itself to take advantage of the changes arising as a result of economic restructuring in the EU as well as its enlargement, by suitably adapting their commercial networks and product and marketing strategies to the emerging economic geography in Europe.

An important development in recent years has been the growing profile of Indian industry in various parts of the world, and the fact that Indian companies are now ready to make investments in Europe and to share technology in areas where we have strengths. This is a process that also needs to be supported and encouraged. It is to be noted that the EU is working towards the objective, as outlined in its Lisbon Agenda, of making Europe the world's most competitive economy by 2010. EU companies need to realise that tie-ups with Indian companies will help them achieve this objective.

As India integrates itself more and more with the global economy, foreign trade will increasingly become an important driving force of our economic growth. Increased trade and investment flows between India and the EU is critical to this process, as well as to the enhanced relationship that we wish to build. Clearly, it is important to set up appropriate mechanisms to foster growing contacts between the European Union and a vibrant, creative and resurgent India. I have no doubt that the Indo-European Union Parliamentary Forum will play an important role in this process.



570. Speech by External Affairs Minister K. Natwar Singh at Seminar on “Europe – India : Collaboration in the era of Globalisation” organised by Fondazione Ducci in Chamber of Deputies.

Rome, June 20, 2005.

Mr. Lucio Caracciolo,

Ladies & Gentlemen,

It is indeed a pleasure to be here today at this debate organised by Fondazione Ducci (pronounced Doochi) on “Europe-India : Collaboration in the Era of Globalisation”.

After the intense interactions across boundaries of the last decade and a half, there can be no doubt that “globalisation”, if it is rightly defined and allowed to develop in its full *perspective, can indeed become the mantra of today’s world. On the other hand, if we do not allow it, because of narrow localized interests of for desire of concentration of power – if we do not allow it to evolve naturally and unfettered, letting it fulfil all its inherent promises – it would be another failed, but noble idea – like the now much-disfavoured concept of socialism, in spite of its egalitarian core, and the impact that it had on millions around the world.

To begin with, globalisation must not be regarded as essentially an economic doctrine. It must not merely be thought of as having access to Coca cola in the interiors of Mali or Cambodia. Nor should it be thought of as a one way process marking a linear horizontal movement of goods, technology and services from developed countries to poorer countries of the South. It must be continuous process of cross-linear fertilization between nations, and at the same time within the nation, an interactive process that feeds the international into the national and the local as also very importantly, the local and the national into the international.

I must, at this stage, recognise the benefits of globalisation for the Indian economy. Ever since we introduced economic reforms in 1991, the Indian economy has been growing at a steady 6 % plus – sometimes reaching as high as 8.5 % - and is expected to grow by around 7 % for the next few years. This, according to Western economic institutions, would

make India the third largest economy in the world by 2035, a knowledge hub with 100 % literacy and stabilized population of around 1.5 billion.

Most encouragingly, the benefits of growth and economic reform have gone well beyond the 300 million middle class growing at around 15 million every year. The process is increasingly benefiting sections of our population who were earlier excluded, including most importantly, rural India. Poverty levels have gone down by as much as 16 % since the reforms started. Rural purchasing power is increasing faster than in urban areas. The Government of India, in its last budget, has introduced a massive \$ 25 billion rural development project entitled “Bharat Nirman¹” – or India Rebuilding project. The scientist President of India, Dr. Kalam, has been propagating the idea of PURA – Providing Urban Amenities to Rural Areas, by improving all forms of connectivity. Rural India, where 70% of India’s population lives, is changing fast in all aspects – political, social and economic – with a level of political consciousness that all political parties must take into account.

When we look at globalisation against this background, it is clear that it has to fulfil the aspirations of every one of the six odd billion people that constitute our world – our “globe”. It must be in its essential “dharma” – in its spiritual morality – a process through which the world can be better place to live in; to be enriched and invigorated by accepting what is best for humankind from each to the other, from every process to every entity – without artificial geographical barriers made by us to protect our narrow and specific interests, our family, our clan, our class, our society, our nation or our region. Globalisation, to be successful, must be all embracing in scope and content, motivated by a fundamental belief in the freedom and equality of all persons. It must enable developing countries to meet the great challenges before them of what we have collectively agreed are the millennium development goals, or the core social agenda, including the crucial goal of the advancement and opportunities for women. Globalisation must be at the same time an economic, cultural, and political process. Most importantly, it must have a human face. It must not overwhelm the traditions and the aspirations of any individual or society anywhere in the world. Because genuine globalisation should help our society to evolve towards higher levels, by contributing what best we have to offer, and receiving,

1. Rebuilding India.

seamlessly, what best others can offer to us. Globalisation, I believe, is both systemic and individualistic in its scope and content. It improves systems for betterment of the individual while the individual in turn becomes involved by in turn contributing to this system.

In its cerebral content, Globalisation must be moved by the great ideas of freedom, democracy and equality. Markets too must be thus conditioned, indeed subordinated to processes that further the idea of fairness and equity. To make our world a better place, globalisation must mean respect for, and generous accommodation of differences; of informed tolerance of every culture – an attempt to understand; and freely, in a non-chauvinistic, non-doctrinal, non-confrontationalist manner, let each idea find its own space and freedom, in a fine balance. Coming as I do, from an ancient land, where the individual in interaction with nature, evolved his first spiritual thought, there is, I feel, a need to globalise spiritual values – as distinct from sectarian, religious and ideological ones.

Globalisation must not mean sweeping the diversity and differences that mark humanity and constructing instead an overarching formula, generalised in logic and regimented in thought and appearance. All the different colours of the world, all the hues of thought – the pluralism of our societies, the diversity of our tradition and beliefs – constitute the very basis, indeed the strength, of globalisation. These differences fertilize the process and lend to our mutual enrichment. Maybe the term globalisation has, in the way it has evolved, come to acquire a meaning economically threatening to many. I feel that this is because of the fairly overwhelming economic content that it has come to acquire, bereft of a holistic evolution which takes into consideration, on the one hand cultural and societal differences, and on the other, of the vastly different levels of economic existence in different parts of the world. Moreover, the process, till now, being largely occidental in its origins and development, at times, is suspect to many for seeming to have political overtones impacting the sovereignty of nations. In many parts of the developing world, it is perceived as another instrument of Western hegemony in the guise of a tempting economic prize. This suspicion becomes fear since globalisation, as it has evolved, appears to extend Western, especially American, cultural values.

There is another fundamental issue of globalisation, which, I feel the world will have to look at carefully as the process evolves. Globalisation

cannot mean merely the movement of technology, business, services and goods across borders. It must deal with issue of movement of persons who produced them. If we believe that market forces should determine the movement of products, we must also allow the movement of skilled persons based on the same principles of competitive advantage. This is what has been termed as the "international flow of humanity". I am aware that is not an easy issue to deal with because of its nexus with expressions of national sovereignty and visa regimes and of the perception of threat to local economies caused by cost competitive economies like China, India and Brazil. But let us not forget that this is not a new phenomenon. America's fantastic growth was created and sustained by its immigrant population for the greater part of the last century. What is important is to recognise the international flow of migrants, often the result of a demand and supply process – as in the case of Indian software engineers in the Silicon Valley – is an important part of globalisation. If managed sympathetically and rationally, it can help to absorb the concerns and discords that the process may cause. They are great assets – because as history has shown, the new immigrants are always the hardest workers. There is a wonderful example here in Italy. What began 20-25 years back as a trickle of immigrants from rural Punjab is today the sustaining force of a great Italian industry and heritage – that of Parmesan Cheese. I am told as much as 50 % of the farm labour in the Emilio Romagna region who produce that world famous cheese, are mostly unskilled Sikh farmers, a few of whom have even become the expert "Cesaro" (pronounced chayzahro) – the man who has the secret knowledge of making the best Parmesan.

It follows from this that globalisation must promote cultural pluralism and should not just mean the world-wide spread of western food, music, style and fashion etc. Culture and art must allow diversity. I would like to give you an example from two facets of Rome itself. Take the vibrancy of Cita (pronounced chittah) Roma in its architecture – the pluralism of its multifaceted manifestations. That each single building is so different from the next. That the simple Doric columns stand in perfect harmony with the ornate Corinthian or the sculpted Caryatids of the Romans. That the medieval Romanesque blends with the grandeur of Baroque of Classical Rome. That the High Renaissance of Bramante and Michelangelo finds space with the lucid special grandeur of the Baroque of Bernini and Borromini. While Citta (pronounced chittah) Roma is a tribute to man's creativity, it is beautiful because it respects diversity and pluralism. Under the globalised sun there

must be space for every cultural manifestation. We must give that chance to all cultures.

With this, I come to the last aspect of my comments today. That is how we in India, and you in Europe (and here I use the term interchangeably with the European Union), can collaborate in the process of globalisation.

Last November the 5th India-EU Summit at The Hague saw the launching of the Indian-EU Strategic Partnership. This Strategic Partnership is the sixth such partnership that the EU has instituted, and recognition of existing realities and equations. The India-EU Strategic Partnership is relevant not just to what we share today, but to what we seek to achieve together in the near future. It is more than just the sum of our cooperation in various sectors; it is a qualitative transformation in the way we engage with each other and together in partnership, how we engage with the world at large.

India and EU are the two largest democracies in the world today and two of the foremost examples we have of multiculturalism. With the EU's expansion last year to 25 countries, the EU is now almost as diverse as India is, in the pluralistic aspect of its democracy! Our shared belief in governance based on genuine consent, irreducible freedoms, pluralism in civil societies, a fearless media and a strong independent judiciary, make us natural partners in the world order.

India and EU have a good deal to contribute towards fostering a rule-based international order, whether this is through the United Nations or through the WTO. We both believe in the fundamental importance of multilateralism in accordance with the UN Charter and in a reformed and strengthened United Nations, which is truly representative and effective. Indeed, I would say that India and the EU, with their large and representative populations and strong democratic traditions, are indispensable poles in the emerging multipolar structure.

The European Union is moving forward in forging a Common Foreign and Security Policy. This has implications for India's foreign policy. We hope to draw upon the European perspective on major international issues.

India and the EU also have much in common on many of the challenges that face us today – be it globalisation, energy issues and the

environment or problems related to terrorism. In taking forward our Strategic Partnership we are looking at ways to broaden and intensify our dialogue on a whole range of issues, from possibilities of cooperation in peace-keeping and post-conflicting assistance initiatives under the aegis of UN operations to cooperation on counter-terrorism and combating organised crime. We are also looking at strategies to enhance mutual visibility and to promote greater understanding between our peoples. We see increased parliamentary and academic exchanges as forming an important part of this exercise.

India and the EU are already important trade and investment partners. Trade with the EU has grown from around US\$ 20 billion in 1999-2000 to a present level of about \$ 33 billion. It is evident that there is considerable untapped potential in our business relationship. While the EU is trying to implement its Lisbon strategy to make Europe the world's most competitive economy by 2010, we are committed to eliminating poverty through economic reforms. We would welcome greater involvement by European companies in the Indian economy. This would also help us realizing our objectives of achieving faster economic growth. As India integrates itself more and more with the global economy, foreign trade will increasingly become the driving force of its economic growth. Increased trade and investment flows between India and the European Union are central to the success of our efforts in this direction. Even as we look to increased market access in the EU for our goods and services, we are determined to ourselves put in place an economic environment in India that fosters increasing investment. Our ongoing dialogue with the EU already encompasses a wide canvas of economic activities. To further strengthen our engagement with the EU, we propose to expand this process to several other areas such as services, research and technological development and energy. In addition to the traditional areas of our cooperation, we also need to look at collaborations in frontier areas of technology such as nanotechnology, life sciences, genome research, bioinformatics, biotechnology, IT, space – in short, the research and cerebral core of the frontiers of the knowledge economy bursting upon us – for mutually beneficial partnerships.

India and Europe need to move increasingly towards partnership in cutting-edge technologies, in a manner that combines India's strengths with the EU's capabilities. We have already decided to form an India-EU Energy

Panel to coordinate our actions in this increasingly important area. We have also agreed to constitute an India-EU Environment Forum and successfully concluded negotiations over the Galileo Framework Agreement, which will open the way to India's future participation in this exercise.

Bilateral scientific cooperation is a critical element in our strategic partnership. You will be aware that India has some of the best platforms for Research and Development in the world. The potential areas of cooperation are numerous. There are several fine academic and research institutions that sustain India's drive for scientific excellence. Our centres of higher education and learning have created a large pool of skilled and trained professionals. In recognition of India's strengths in these areas, over a hundred of the Fortune 500 companies from the US have already established their R&D bases here and four hundred of them use the Indian advantage in software and remote services. We should look at promoting similar partnerships between Indian institutions and European institutions.

Europe and India must also collaborate on WTO and Doha Round. India has made its commitment to economic liberalisation; and has gradually opened its market to both domestic and international competition. But India also believes that for free trade to be sustainable, it must also be fair trade. Not only are different countries at different levels of economic development and marching at different pace, but every country also has its own individual challenges and comparative advantages which must be addressed and accommodated in order to make globalisation truly global. India is working with other members of the international community to create a global trade regime that is not only free but also fair.

One of the important manifestations of globalisation is the opportunity it affords all of us to seek wider and stronger partnership. Larger markets, larger growth opportunities, a greater search for cost effective means of production and a large increase in services across traditional frontiers are some of the aspects of this phenomenon.

Here, an important market access issue for India relates to the movement of Indian professionals into EU. Indian professionals are often troubled by problems pertaining to the issue and renewal of visas and work permits, family reunions, movement of the professionals and their families within Europe and other social and economic costs associated with their European tenures. The variation in conditions for entry in different member

states and the unpredictability in getting business travel and work permits also inhibits the growth of business relationship.

The EU is India's largest trading partner, and nearly a quarter of our foreign trade is with the EU, amounting to Euro 33 billion. We have reason to be pleased with growth rates of trade on both sides between 15 and 20 %, but that is merely taking into account the complementarities of our economies. Trade has also diversified from traditional sectors to more modern ones, including heavily into the area of services, illustrating the opportunities that globalisation provides.

The EU is also potentially a major investor. However with only 5 billion euros of actual inflow of FDI into India in the last 15 years, the volume of EU investment in India is quite modest. From the perspective of the EU, India accounts for only about 0.2% of EU's global investments. From our point of view European investment in India is disappointing, given India's own increasing investment in your region. We believe India deserves more European investment and that Europe deserves a greater corporate presence in India.

At present, mutual investment by India and Italy in each other's country is minimal. There is scope for more intense interaction, of marrying technology with financial arrangements, of new demands and opportunity with initiative and entrepreneurship. There are two particular areas – infrastructure development – roads, ports, airports - and the whole process of agro-industry from food processing to food marketing industry including cold chains, that offer excellent opportunities for the Italian industry. India's phenomenal success in Information Technology and especially software, has taken attention away from certain of our manufacturing sectors such as the automotive industry, the pharmaceuticals sector, machine building, speciality chemicals and the steel industry. India is not only a cost competitive economy to produce goods and market them around the world through Indo-European joint ventures, but a market of very considerable size with growing buying power. I believe strongly that European industry can find new partnerships of mutual satisfaction and profit in the booming Indian economy. Talking specifically about Italy, when the bigger Italian industries find partnerships in India, the SMEs connected to them will also be benefited and maximize cost competitiveness.

Europe – India collaboration must be in areas not merely of today's

concern but of tomorrow's interest and relevance. One such area is space, where to take a specific example, both India and Italy have advanced technology in space-related activities. You have participated with sophisticated equipment in the US-led Saturn mission. Today India is in a position to launch its own satellites deep into space. We launched one last month with immense scope for rural development. A moon mission from India is due in 2007-08, and friendly countries, with whom we have strategic cooperation, such as the United States, will be participating with experiments to be carried by us to the moon. I am told that Italy, with whom we have begun talking about cooperation in space technology during President Ciampi's most successful visit to India recently, has also expressed interest in collaborating.

I am also glad to note that Italy has taken a new lead which can be of immense benefit to both our countries. I understand that your dynamic Minister of Education, Mrs. Moratti, has worked out, with the support of your industry, a plan to invite some 175 Indian doctoral and post-doctoral students to study and do research related work in Italy. This is a visionary step – a process used gainfully by the United States, which has led to enrichment of the U.S. industry and universities through immigration of scientific talent from India and other countries. I believe that more than 20% of NASA's scientists are of Indian origin, as are the vast number of technicians working with the IBM, Intel or Microsoft. Many of these students have later returned to India to contribute effectively to our own scientific and technical progress.

I would conclude by saying that there should be no maximalist position on globalization. The process must be allowed to develop in a pace that is convenient to absorb especially for developing countries. The West must show patience; the richer and the more developed countries should be willing to open up faster and quicker than those who are poorer due to historical inequalities. The developing countries too must open and remove obstacles to free flow of goods, services, ideas and culture – but in a graduated manner with which they are not uncomfortable. In short, globalization, must be managed skillfully. There can be no doubt if we remain committed to the best principles of globalization that I have enunciated, it is so attractive a phenomenon in what it offers – in what it means – that globalization is in the best interest of every nation. It has the potential to produce a much better world to live in. Long years back, almost a century

ago, India's first true Renaissance man Rabindra Nath Tagore wrote :

“Where the mind is without fear and
the head is held high;
Where knowledge is free; Where the world has not been broken up
into fragments by narrow domestic walls;
Where words come out from the depth of truth;
Where tireless striving stretches its arms towards perfection;

Where the clear steam of reason has not lost its way into the dreary
desert sand of dead habits; Where the mind is led forward by Thee into
ever-widening thought and action –

Into that heaven of freedom, my Father,

Let my country awake.”

I will add, LET MY GLOBE AWAKE.

This is the song of Globalization – this is its inspiration, as it is, its goal.



571. Press release of the Ministry of External Affairs on the inaugural meeting of India-EU Energy Panel.

Brussels, June 29, 2005.

The inaugural meeting of the India-EU Energy Panel took place today in Brussels. The Panel was headed on the Indian side by Foreign Secretary, Shri Shyam Saran and on the EU side by Mr. Lamoureux, Director General for Energy and Transport in the European Commission.

The India-EU Energy Panel was constituted as a follow up to a decision taken at the 5th India-EU Summit at the Hague in November, 2004, when leaders on the two sides agreed to commence a wide ranging dialogue on Energy, underlining the importance they attached to India-EU cooperation in this sector. The Panel has been set up to discuss the various possible strategies for development of secure and sustainable energy supplies of fossil, renewable and nuclear energy.

The jointly agreed Terms of Reference of the Panel envisages

cooperation by India and EU in a large number of areas, including demand/supply assessment, joint action for developing new sources of energy, including harnessing of nuclear energy, improving efficiencies, technology tie ups and greater investment flows.

The two delegations exchanged views on the emerging energy scenario and senior officials from the concerned Departments and Ministries in Government of India, including Commerce, Power, Petroleum and Natural Gas, Coal, Atomic Energy, Non Conventional Energy Sources and Environment, along with their counterparts in the EU side discussed future prospects for development of all the fuel chains and the key priorities for cooperation.

Both sides reaffirmed their interest in close cooperation in the energy sector. India expressed her particular interest in transfers of technology, in joint research projects between R&D establishments in India and the EU and in sharing of best practices in areas of mutual interest, including Clean Coal Conversion technologies, Energy Efficiency and Renewable Energies. India has already conveyed its willingness to join the International Thermonuclear Experimental Reactor (ITER) project.

The high level panel decided to set up Working Groups in the areas of:

- Coal and clean coal conversion technologies,
- Energy efficiency and renewable energies,
- Fusion energy including India's participation in ITER.

Future meetings would also involve representatives from the private sector in order to encourage business partnerships. The Energy sector could be one of the areas of discussion at the India-EU Business Summit in September, 2005, followed by an India-EU Business Conference dedicated to Energy Cooperation in early 2006.

It was decided to hold the next meeting of the Panel in the first quarter of 2006 in New Delhi.



572. Keynote Address by Prime Minister Dr. Manmohan Singh at the India-EU Business Summit.

New Delhi, September 7, 2005.

It gives me great pleasure to be here in your midst, where businessmen, leaders and captains of industry and trade from the European Union sit together with the captains of industry of our country. I have always believed with Lord Keynes that, "in the final analysis businessmen are the custodians of the possibility of survival of human civilization and therefore, if business leaders think right, I think our societies and our polities can look to the future with hope and confidence. Therefore, I greatly welcome this opportunity to interact with such an outstanding group of leaders of business and industry. Prime Minister Blair has already mentioned that we had a very fruitful meeting with him and the President and the members of the European Commission and tomorrow, we will have a bilateral meeting where we will discuss the further development of our relations with the United Kingdom.

Under the Presidentship of Prime Minister Blair, we have made a very good progress in our strategic partnership. I am grateful to you, Prime Minister for the leadership you have given to the process of widening and deepening of our relationship with the European Union.

We live in a world of constant change and the success belongs to those who are adept at mastering processes of change. In our own times, few leaders of countries have shown that much expertise in effective management of change processes than Prime Minister Tony Blair. Therefore, what he has told you this afternoon, I think I heartily agree. Those are the ways to manage processes of change and the moral of what he has been saying is similar to what I have been saying to our own people – do not be too fearful of change. Learn to live with change, though of course governments have the responsibility to smoothen the processes of change, smoothen the transitional pain that may at some times accompany the processes of change. So what Prime Minister Blair has told you this evening, I heartily support.

It's for me and for my colleagues a great delight that we have this opportunity to interact with leaders of European and Indian business. I sincerely believe that in the modern world, the relationship between

Governments is increasingly mediated through and influenced by the relationship between the civil society and the business community. It is on the foundation of people-to-people and business-to-business relations that we in Government try to build State-to-State relations. That is at least true of most democracies. Hence, this business summit is, in many ways, as important as our own heads of Government meetings. I welcome the idea of the India-EU Business Summit becoming an integral part of the India-EU Summit.

India and the EU have deep and abiding ties comprising political, cultural, social and economic relations. We are the largest democracies of the world, we cherish the freedoms that democracy offers. We share a common belief in pluralism, consultations and consensus, in the Rule of Law and in peace. For, in peace and in stability, we have the foundations necessary for development and economic growth within the framework of an open society and an open economy.

The terrorist attacks on July 7 this year in London are an unfortunate affirmation of our view that terrorism, by whatever name, can have no place in a civilized society. I am emphasising this in this Business Summit because one of the aims of terrorism is to cause economic instability all round. I hope that, as India and EU join hands today to strengthen our economic ties, one aspect of those ties must be to ensure peace in our lands. We need each other's strong support in that endeavour.

We meet here today at a time when the Indian economy is once again on an upward growth path. For two years in a row, we have had upwards of 7 per cent growth in our national income. This year, we expect to repeat that performance. I am convinced that we will sustain this rate of growth, perhaps even improve upon it, in the next few years. This has the potential of transforming our economy in many ways.

It is now possible, as never before, for us to visualise an India without poverty, without disease and without scourge of extreme deprivation. There is an air of optimism and, as a believer in the ideas of Lord Keynes, I am convinced that 'positive expectations have a way of yielding positive outcomes'.

The process of economic reforms initiated by us in the early 90's has yielded rich dividends in many ways. We are committed to pursuing

these reforms in a manner that the benefits percolate to all sections of our society, especially our rural poor. I have often said that we must walk on two legs – pursuing greater efficiency and simultaneously pursuing greater equity in the working of the economy. I do believe that if the fruits of higher economic growth are better shared, this in itself will stimulate further growth. We see the EU as a natural partner in our economic development. For centuries, long before the colonial era began, Indians and Europeans have been engaged in commerce. India has had civilisational and commercial links with different nationalities within Europe. We must build on those links by renewing the economic, social and cultural basis of our relationship. I am afraid we are not doing enough on that count. The youth of today in both our continental societies are not as familiar with each other as they are with other nations we deal with. For my generation, Europe was the natural destination for students, scholars, travellers and artists. I believe this is no longer the case. Perhaps, this is understandable, as we in India reach out to new friends in new continents and re-discover our ancient links with other countries of Asia. But, for this very reason, we must re-invest in renewing our friendship with the people of Europe. It is on the basis of this renewed people-to-people relationship that we can forge stronger business-to-business relations and affirm our new Strategic Partnership, that we entered into at the last Summit in The Hague.

We have at today's Summit laid out a road map for further cooperation, and along with the EU Presidency, I am happy to announce the adoption of a Joint Action Plan, which covers not just political aspects of our collaboration, but, most importantly, economic cooperation, that Governments can at best create an enabling environment, if opportunities that are on the horizon have to be seized we need businessmen and businessmen with the right attitude. Therefore, the mindset of the businessmen in Europe and in India, are going to be the crucial determinant of what actually takes place, when it comes to implementing the Joint Action Plan.

The most significant aspect of that Plan, in the context of our economic cooperation and trade, is the decision to set up a High Level Trade Group, where senior officials on both sides will meet over the next few months, and explore ways and means to deepen and widen our bilateral trade and investment relationship, including the possible launch of

negotiations for a broad-based trade and investment agreement. We do hope this results in a more equitable and dynamic trade regime.

I believe there is a perception in Indian trade and industry circles that the European market is becoming increasingly difficult to penetrate. As tariff barriers disintegrate, our industry complains that non-tariff barriers suddenly come up. We need to address any such issues that exist, so that our trade with European Union can rise from less than 2% of EU trade to a more healthy level. India is one of the largest producers of agricultural commodities - fruits, vegetables, poultry and meat products, the famous 'Basmati' rice and the equally famous Darjeeling tea – and we have comparative advantage in this sector, apart from in the more modern sectors that Shri Kanwar mentioned. But many of these are also products, which find some form of discrimination and trade protection, or the other, which needs positive resolution by the EU. These are export products, which help sustain our small farmers.

Other serious issues affecting Indian exports also cause concern. One such is an imminent EC Directive on traditional and herbal medicines that would affect access for Ayurveda products to the EU market. Ayurveda is a recognised, centuries old system of medicine in our country, with its own pharmacopoeia and is in use in many European homes. This directive, our people fear, has the effect of being an insurmountable non-tariff barriers in respect of Ayurveda products. I sincerely hope that our concerns will be noted and taken on board when the High-level Trade Group meets for its deliberations.

Increased market access to Indian products and services in the EU market would create healthy conditions for placing our two-way trade on an even keel. It is important, therefore, that India and EU forge newer strategies for strengthening the existing economic bonds. We would welcome measures that could be pursued to mutual advantage and to facilitate enhancement of bilateral trade. I am, therefore, very happy that we have decided today to set up a Joint Working Group on SPS/TBT issues. This one step may, more than any other, lead to increased and enhanced trade. I urge our Indian business organizations to communicate more effectively the message that India is open to free trade and investment.

I am convinced our destiny and our salvation lies in closer involvement with the evolving global economy. As Prime Minister Tony Blair

has said, 'globalization has come to stay'. We have to take full advantage of the opportunities that are now on the horizon and simultaneously taking care to take note of the risks that are involved in the processes of globalisation and working out concerted strategies to minimise those risks. Our Government is committed to lower tariffs and to increasing trade and capital flows into India. We are committed to ensuring a transparent investment regime that does not discriminate against foreign investors. I am concerned by the fact that EU's share in India's external trade and investment flows has come down, with other newly industrializing countries edging Europe out. I urge the representatives of European business present here and the representatives of Indian business to take note of this fact and work together with this even-mindedness to reverse this trend by re-discovering the new India that we are in the process of creating. A brand conscious and yet price sensitive market in search of new products and new technologies is waiting to be tapped. I sincerely hope you will not miss this bus!

Our Government is placing special emphasis on infrastructure development – both urban and rural infrastructure. Investments in the areas of energy, power, roads, railways, airports and ports are needed in massive amounts. I believe we have the capacity to absorb 10 to 15 billion dollars of Foreign Direct Investment in these sectors in the next decade.

Our wealth of human capital is recognised the world over. Prime Minister Blair reminded us of the power of ideas and the power of knowledge in fuelling economic growth in the future. We are well-placed to be a part of the evolving knowledge economy in the world. Our centres of higher education and learning have created, fortunately, a vast reservoir of world-class skilled and trained professionals. And over half our population is below the age of 25 years. As the demographic profile of Europe changes, the gap between the availability of skilled work force and the numbers required to maintain current productivity and efficiency levels would increase. The European Union could clearly benefit by drawing upon the services of India's young workers and professionals, though let me say that we are not in the business of illegal migrants from our country to any part of the world. India, in turn, would no doubt benefit from a liberal and easy regime allowing the free movement of natural persons, particularly our professionals. What we seek is a win-win relationship with the European Union.

An opportunity and a challenge have emerged for Indian industry with the enlargement of the European Union. We have always recognised the great potential for good that underlaid the growth of the European movement. We were one of the few developing countries who recognised as early as in early 1960s, the potential offered by the enlargement of the European community. A Europe, which is growing, a Europe which is not cohesive, the Europe which is outward-oriented is in the interest of the world. It is in the larger interest in the more equitable management of increased global inter-dependence of the nations. It is up to business and industry to seize this new opportunities that are available now in Europe. Governments can at best provide an enabling environment and play a facilitating role. It is the animal spirits of individual enterprise that must drive the relationship forward. I commit our Government to do everything within power to rekindle the animal spirits of Indian business community.

At the Government level, our Development Cooperation is expected to get a major boost in education – the *Sarva Shiksha Abhiyan*¹ - and in rural health – the National Rural Health Mission. The reconstituted Joint Working Group on Agriculture and a new one - on Food Processing, which have emerged as important components of our increased economic cooperation, will, I believe, go a long way in promoting mutually beneficial economic activity and give a fillip to our agricultural sector. I am glad, that, at the same time, the Action Plan also proposes enhanced dialogue in modern, hi-tech frontier areas of IT, telecom, S&T, biotechnology, space and nuclear energy. The agreement for the Avoidance of Double Taxation, an agreement for the Promotion and Protection of Investment, the agreement on Science and Technology, our Vision Statement on IT, the agreement on Customs Matters are some of the instruments we have in place to take our relationship forward.

India and EU have remained committed to a rule-based multilateral trading regime. We played a key role in the formulation and adoption of the Framework Agreement at Geneva. We hope that there will be genuine progress in the weeks between now and the Hong Kong Ministerial meeting. Our developmental imperatives require accommodation of our concerns by the developed countries. We hope that the negotiations will lead to

1. Education for All.

substantial market access - both on agricultural and non-agricultural products for the developing world, as well as in the key areas of services. We also hope to achieve a fairer and more equitable world trading system. Towards this end, I hope that we can continue to work constructively with each other until the satisfactory conclusion of the Doha Round.

I have said this many times before the poor countries of the world have a vested interest in strengthening the rule-based non-discriminatory multi-lateral trading system. So we look forward to working with our colleagues in the European Union to bring the Doha Round to a successful conclusion.

I draw your attention to the demands of a globalising world, which require that we synergise our strengths and complementarities to give a new dimension to our partnership and secure greater space in the world trading system. But trade is not an end in itself. We view trade as an incremental economic activity, the means to achieve economic growth necessary to meet our development objectives, with equity, fairness and honesty of purpose.

I am therefore, very happy that the India-EU Business Summit has evolved as an effective forum for dialogue and exchange of views. I do believe that you can play a powerful role in strengthening our strategic partnership. I commend you for your endeavours.”



573. Joint Press Conference by Prime Minister Manmohan Singh and British Prime Minister Tony Blair and President of the European Commission Jose Manuel Barroso.

New Delhi, September 7, 2005.

Prime Minister of India (Shri Manmohan Singh): Good afternoon ladies and gentlemen. I am very happy to be here with Prime Minister Tony Blair, President of the European Commission Mr. Jose Manuel Barroso, Secretary-General and High Representative Mr. Xavier Solana, EU External Relations Commissioner Ferrero-Waldner and EU Trade Commissioner Peter Mandelson. We have had an extremely good and productive discussion at the 6th India-EU Summit today.

The most important outcome has been the adoption of a Joint Action Plan today which provides the necessary framework for our fast evolving, multifaceted relations. It will be our roadmap for identifying pathways to future cooperation. It is an ambitious and unique document, the first such detailed action plan that we have drawn up. It sets the signposts for the way ahead for our interaction with the European Union so that we may realize the full potential of our multidimensional cooperation. It builds on the common values and beliefs that India and the EU share, as the world's two largest democracies, the values that make us natural partners.

That this action plan has been finalized in the presence of Prime Minister Tony Blair is a matter of added happiness and satisfaction to me because we in our country have had historic, close and most cordial relations with the United Kingdom. Our Political Declaration on the India-EU Strategic Partnership sums up the salient features of what we wish to achieve together. At the top of the agenda is intensified political dialogue and cooperation with a view to meeting common challenges and global threats, starting with terrorism. We have agreed that there is no place for terrorism in the civilized world and that we would work together towards fighting it. We have agreed on a detailed framework indicating how we would enhance our cooperation in this very important area.

We have also agreed that without credible and effective global institutions it would be impossible for us to meet the evolving global

challenges. We reiterated our shared belief in the central role that the United Nations needs to play in the contemporary world. We would also establish a security dialogue on global and regional security issues, disarmament and nonproliferation. We have made significant progress on the economic cooperation, and trade and investment side as well. In this context I am happy to announce that our Government has today cleared the purchase of 43 Airbus aircraft for Indian Airlines. The value of this contract will be in the region of 2.2 billion US dollars.

Through this deal we hope to raise our bilateral economic partnership and our interaction in the civil aviation sector to new heights. We have also had constructive discussions on how to increase bilateral trade and investment flows. We look forward to working together with Europe in the newly constituted Energy Panel and its Working Groups. We have also urged the EU to revisit and review technology export control regimes that create a restrictive environment for technology transfers to India. India's impeccable record in the area of nonproliferation is well known and we hope that the EU will respond positively.

The European Union has welcomed our participation in the International Thermonuclear Experimental Reactor. I would like to thank them for the most helpful role they have played in this regard. Today we have signed the Framework Agreement on India's participation in the European Union's Global Navigation Satellite System (Galileo).

This will set the stage for our cooperation in a vital area, which we believe will be mutually beneficial for both sides. The Action Plan also covers several other areas on which the two sides are committed to work: Climate Change, Science and Technology, Research and Development, enhanced parliamentary exchanges, greater people-to-people contact and dialogue related to migration and consular issues. I would like to take this opportunity to thank the European Union for the Erasmus Mundus scholarship programme that has allocated 33 million Euros for students from India to study in the European Union.

This is a very welcome step that will go a long way towards improving mutual understanding and trust between young people and academic communities in India and in Europe. Nothing creates stronger and more enduring bonds than educational links. This initiative is of value today and

its value will grow many-fold over time. I would now like to invite Prime Minister Tony Blair and President Barroso to speak.

Prime Minister of the United Kingdom (Mr. Tony Blair) : Thank you Prime Minister. First of all can I say on behalf of myself and all my colleagues how grateful we are both for the warm welcome that you have given us, for the time that you have given us, and for the immensely constructive and open discussion we had with you and your colleagues this morning. There are just a few points that I would like to emphasise following on the Prime Minister's remarks.

The first is obviously that the Joint Action Plan that we have agreed today puts the relationship between the European Union and India on a new and a higher and a more intensive level. That is, in my judgement, long overdue but it is important now that it happens. It sets a framework for further action and discussion across a whole range of issues, from trade and security to issues such as education, science and technology. This relationship is a necessary one and it is right that it intensifies because of the common challenges that we face and the common interests that we have. If I can just highlight two of those, the first is on the issue of trade where we know there is still an immense capacity for developing the trade relations between India and the European Union. I think we all recognize the changes that respectively we have got to make to ensure that that happens.

The purchase of the Airbus, which has been obviously highly successful around the world, is a very welcome sign of those developing trade relations. But I know from experience, not just in the UK but throughout the whole of Europe, what tremendous possibilities and potential there is in developing these economic and trade relations between Europe and India. I hope that today's announcement, and obviously the signing of the documents as well, gives a fresh impetus to this so that this Joint Action Plan would not simply be at the level of strong ideas and strong rhetoric but is translated into practical action in the time to come. I think from the discussion we have had this morning the will to do that, the political will to do that, is very evident on both sides. Secondly, as you have rightly said Prime Minister, there is a very good and open exchange on the issue of terrorism. India sadly has a long experience of this, as indeed has the UK over many years. I think that coming together in order to fight this common

threat at every single level is a completely correct preoccupation both of India and the European Union, and one on which we can work on together. I also entirely agree with you that the way that we tackle both of these issues - the economy and trade, and the threat of terrorism - is through developing effective multilateral institutions capable of doing it, both in respect of the United Nations obviously in the big political challenges that we face, and of course in the upcoming talks on the world trade round. So, I would like to thank you very much for the very constructive engagement that we have had this morning. I am in no doubt at all that this does mark a change, a significant change and turning point, in the relations between India and the European Union. I look forward, both wearing my UK hat but also as President of the European Union, to see the fruits of this be gathered in the months to come. Again, thank you to you and your colleagues.

President, European Commission (Mr. Jose Manuel Barroso) : Let me begin by joining Prime Minister Blair saying how grateful we are for the hospitality of Prime Minister Singh and all the Indian authorities. It was indeed a very successful summit. Apart from the concrete conclusions, I can tell that I found the exchange of views very informal and very substantive. It is good that we can discuss in this spirit very important issues, global issues, between India and the European Union. I am sure that one of the reasons why this happens that way is because we share common values - democracy, pluralism, human rights and rule of law. European Union and India share the same values. We should work closer when it comes to our interests to make not only the values but interests as common as possible. That is exactly what happened now in this Action Plan. The Action Plan tries to translate in practical terms, in implementation terms, the goodwill that we know exists between India and Europe to give concrete shape to this strategic partnership that now we have between European Union and India. Prime Minister Blair has already highlighted the most important aspects. I will not repeat what he said. Let me just add one point. It is the cultural and the academic chapter - we have a political chapter, economic policy chapter, the trade and investment chapter, but I think (we should) also underline the cultural and academic chapter which builds upon the 2004 European Union-India Cultural Declaration. There would be the establishment of European Union Study Centres in India and vice versa. There will be, as Prime Minister Singh just mentioned, increased participation of India in Erasmus Mundus programme, a programme for students from

India going to Europe. There will be strengthened exchanges between civil society organisations and think-tanks and also a dialogue between the audio-visual industries. It was also important in concrete terms, the decision to go ahead with participation of India in the Galileo programme, and also the support that European Union gives to India as member of the ITER where India can bring the knowledge it has in fusion technology, also today's very important global project in the field of science and technology. I believe those were the main aspects of a very successful summit. Once again on behalf of the European Commission, thank you Prime Minister Singh. Thank you to all the Indian authorities for the commitment, engagement that you have put in this very important summit.

Question : (Wolfgang, *Financial Times*, Germany) : I would like to ask a question on the United Nations Summit that is taking place next week. I would like to ask President Barroso if he has offered a view of the Commission to the candidature of India for a permanent seat at the Security Council. Perhaps Mr. Blair, as the Council President, would also offer a view. Prime Minister Singh, I would like to ask that since there is strong opposition from the United States and China to accept the proposal that India together with Brazil, Germany and Japan has permanent seats in the UN Security Council. What would be Indian reaction if that was refused?

President, European Commission : About the United Nations seats, the President of the Council, Prime Minister Blair can answer though that is not from a technical point of view, that is not the competence of the European Commission, it is an inter-Governmental question. Anyway, like we highlight from our perspective of the European Commission, we should not reduce this very important summit of United Nations to the Security Council Reform. Security Council Reform is a very important issue but there are other issues - Millennium Development Goals where, by the way, European Union committed a very important effort. We announced recently, and we have also made an announcement in Gleneagles - the doubling of our overseas development aid. There is also all matters relating to climate change and there are many other issues that are important in this summit. But, of course, the Security Council Reform is a specific one. That has to do more with the diplomacy and the role of individual member-States. The truth is, as you know, we do not have a common position. Our 25 member-states do not have a common position on that matter. But, maybe, Prime Minister Blair wants to respond.

Prime Minister of the UK : As President Barroso has just said, there is no common European Union position. Obviously, UK's position has been the strongest supporter of India. I would just make one comment in addition to saying that President Barroso is absolutely right that all the focus should simply be on this issue. There are really important matters, not least the issues of terrorism, that we need to discuss next week at the summit and also the Millennium Development Goals and tackling global poverty and so on. However, it seems to me very clear if we want effective multilateral institutions, then those effective multilateral institutions have got to take account of the world as it is today and not the world as it was. That is why it is important I think, however long it takes - and maybe it is not possible to reach a consensus at the moment - that there is a reform of the Security Council at some stage because plainly it does not correspond to the modern realities.

Prime Minister of India : I was asked the question about the opposition to India's membership of the Security Council. It is a fact that some countries are not in favour of the G-4 Resolution that we sponsored. But, I have also been assured that their opposition to the G-4 Resolution does not necessarily imply opposition to India's claims and India's place on the expanded Security Council. So, we have not given up and I sincerely hope that we can still sort out this issue.

Question (Parul Malhotra, CNBC) : This is a question to Prime Minister Manmohan Singh. Sir, could you elaborate on the extent of Indian participation in Galileo? Have we put in some equity? If so, how much?

Prime Minister of India : I will ask Space Secretary to tell you what is our equity in the Galileo project.

Space Secretary : At the moment we have signed a Framework Agreement which enables us to discuss the details of the participation. The amount of the equity will be decided based on the extent of participation. We have projected the technical strength of India in the space research areas. This dialogue will continue. At the end of that only we will be arriving at these figures.

Question (Tom Bradbury, ITN): Prime Minister, to some extent this trip has been a bit of a window into the future. Can you just explain to us a little more what role you think India plays or should play economically and

strategically in the future, basically in relation to China? Though China's arguments provide isn't moving faster towards democracy look lame, the moment you land here and realize this is a functioning democracy of a billion people and has been for more than fifty years?

Prime Minister of the UK: Well, I think the extraordinary thing about India is that with all the problems of development and progress that it faces, it is a democracy, it abides by the rule of law, its people decide their Government and that is a tremendous example to the whole of the world. I think you are right in saying in a sense the this is China to India is window to the future.

The world is changing very very fast. But in respect of India, there is no doubt at all as the economy of India continues to grow, and as India necessarily plays an ever-increasing role on the world stage, then the right relationship, not just between the UK and India but between Europe and India is vital. And there is none of the big - when we were going through all the major issues we faced in the discussion earlier, there is none of those issues, not counter-terrorism, not world trade, not the ability to tackle issues to do with climate change, none of those questions can satisfactorily be resolve or confronted without the active participation and engagement of India. And therefore, what is happening in a world that is increasingly inter-dependant, where the force of globalisation is just creating change in an immensely rapid rate is that a country like India is, as I say, not emerging economically but emerging politically and the rest of the world has got to enter into the right and equal partnership with India for mutual benefit. And that is what is happening.

The fact that India also as a country with these problems of development, with this huge population here is able to be a proper functioning democracy is a tremendous thing. One of the Ministers was saying to us earlier that, I think, forgive me if I am wrong about this, 60 per cent of the population is under the age of 25. That kind of made us Europeans reflect a little bit on the changing nature of the world that we face. If you take some of the major that there are more Engineering Graduates now being produced in India than I think in virtually the whole of the European Union. So, this is change that is going to affect the lives of all our citizens not just in Britain but in the whole of Europe. So, to come here and to have a good and strong engagement and work out how we can meet these challenges together, this is an essential part of safeguarding the interests of our own citizens today.

Question (Himanshu, India TV) : Both India and the European Union appear to be concerned about terrorism. India has concerns about infiltration from the Pakistani side. The UK Government too had expressed concerns about the role of Pakistan, especially some of the British citizens who had gone to Pakistan. At the present moment do you see any role for the international community as a whole in addressing this problem which exists and which apparently has roots in Pakistan?

Prime Minister of the UK: Obviously there are issues that India and Pakistan have got to resolve together. But let me make just one thing very clear. I think the mood in the whole of the international community has changed dramatically on this subject in the past few years. There is absolutely no justification or excuse for terrorism, for innocent people being killed in cold blood, or for anybody giving support or succour of whatever nature to people carrying out such acts of terrorism. The way to resolve difficult issues today is through patient discussion and negotiation, it is not through terrorism. I cannot think of a single issue anywhere in the world where terrorism does not make the situation worse rather than better, where it creates hatred and division, where it produces despair amongst people, where it stops people being able to have the dialogue necessary to resolve problems. I do not think that there is any doubt or question in anyone's mind. Again here, India has obviously had to suffer the consequences of terrorism but also, as we were talking about earlier in our discussion, India is a country in which people from different faiths cooperate and live together. And so, there is a message there for the wider world. Out of the next week's UN Summit, one thing I hope that will come is the reiteration of a very very strong statement from the whole of the international community that we not merely condemn terrorism and those that incite terrorism, but that we expect the condemnation and the resolutions of the United Nations to be carried through, and carried through by everybody. I welcome very much the changes that have been made in recent days in the statements that have been made by Pakistan. There is no question however in my mind that the international community now, in a way that I do not think was the case a few years ago, speaks as one and speaks I think with not just determination but a certain degree of passion as a result of the experiences we have all had.

Question (Nick Robinson, BBC) : Prime Minister, just building on your last answer, if I may, Britain has tabled as I understand a resolution for next week's UN gathering on this issue of incitement for terror, this morning you

signed up to the principles of Mahatma Gandhi. Is that what underlies your thinking? How would such a resolution work in practice given the age-old tension between those who say they are supporting freedom fighters and those who say they are supporting terrorism?

Prime Minister of the UK: I think you are right in saying that there are difficult questions that arise here. But, the problem with terrorism is not just the people that commit the act of terrorism; it is those that support it, those that incite it, those that encouraged it. I think we have got to take a very strong stand on behalf of the international community and say we condemn this and we condemn it utterly. Because, when people say that they are doing this in the name of a cause or a grievance, when you actually look at it, what they are doing is killing innocent people, usually completely at random. What is the impact of that terrorism? The impact of that terrorism is not to resolve anything. It is to put people against each other, to sow seeds of hatred, to divide people of different races or religions or nations. Possibly this is long overdue. It is time we sent out a clear, unified message from the international community and said that it is no longer legitimate not merely in terms of committing acts of terrorism but in terms of supporting or inciting it. That is not something that can have any hiding place in respectable opinion. I think that is a necessary thing for us to say.

Question (Sheetal Rajput, Zee News): My question is, how would this Joint Action Plan for countering terrorism be implemented.

Prime Minister of the UK: I think some of the suggestion that we were talking about this morning are to do with things like, for example, making sure there is proper intelligence cooperation, making sure that Europol and the Central Bureau of Investigation here cooperate properly together. It has to do with issues like money laundering and how terrorism is financed. In other words, I think there are areas of practical cooperation that we can take forward here. The proposals from the Indian side are actually rightly ambitious in this regard. But these terrorists cross frontiers very easily and they do get access to funds as well as weapons and it is important that we are tackling every single aspect of this. So, I think that cooperation is important. But there is another area of cooperation as well which is also to talk about how we defeat the ideas and ideologies of these people, how we take the message of peaceful coexistence and harmony and religions working together, how we take that message out collectively and into local communities and say that look there is a different and better way.

Prime Minister of India : I agree with the Prime Minister. I think we have to tackle this problem at several levels. It is a struggle for the minds of the people. Whatever we can do to promote respect for tolerance, respect for diversity, and that no cause justifies recourse to terrorism directed particularly against innocent men, women and children, plus also cooperation between European Union countries and India in intelligence gathering, in intelligence sharing and also ensuring that the means of financing terrorism are effectively checked. These are various approaches which are listed in the Joint Action Plan.

President, European Commission : I just agree with what has been said.



574. Political Declaration on the India-EU Strategic Partnership.

New Delhi, September 7, 2005.

India and the EU, as the largest democracies in the world, share common values and beliefs that make them natural partners in the modern inter-connected world. We share a common commitment to democracy, pluralism, human rights and the rule of law and seek to pursue economic progress and prosperity for our peoples in a peaceful, stable and secure global environment.

The fifth Summit at The Hague on 8 November 2004 endorsed the India-EU Strategic Partnership. This is a qualitative transformation in the way we engage as equal partners and work together in partnership with the world at large. Today in Delhi, at the sixth India-EU Summit, we commit ourselves to strengthened dialogue and engagement as Strategic Partners.

In acknowledgement of our Strategic Partnership and our shared responsibility to contribute to international peace, security and prosperity, we today adopt a comprehensive and forward looking Action Plan.

Political Dialogue and Cooperation

- We recognize the fact that terrorism constitutes one of the most serious threats to international peace and security, and reaffirm our

condemnation of all acts of terrorism in all its forms and manifestations as criminal and unjustifiable, irrespective of their motives. As part of our joint efforts to fight terrorism, we will establish contacts between the Indian and EU Counter Terrorism Coordinators, work towards blocking access to terrorist financing and co-operate in the fight against money laundering.

- We hold a common belief in the fundamental importance of multilateralism and in the essential role of the United Nations for maintaining international peace and security, promoting the economic and social advancement of all people and meeting global threats and challenges. We will work closely to promote effective multilateralism and strengthen UN peacekeeping and peace building through exchanging best practice and engaging in joint training.
- We will establish an EU-India security dialogue on global and regional security issues, disarmament and non-proliferation.
- We will work together to uphold human rights in a spirit of equality and mutual respect.

Economic Dialogue and Cooperation; Trade and Investment

- We will establish a High Level Trade Group to explore ways of increasing bilateral economic flows, including discussions on the possible launch of bilateral negotiations on a comprehensive trade and investment agreement. Within this framework we agree to explore the scope of a possible investment agreement.
- We will aim to enhance significantly EU's development co-operation in social sectors, specifically in the universalisation of elementary education (Sarva Siksha Abhiyan) and the National Rural Health Mission of the Government of India.
- We will launch an India-EU Initiative on Clean Development and Climate Change, with the aim of promoting cleaner technologies and their use.
- We will build on our cooperation in the energy sector to develop more efficient, cleaner and alternative energy chains and work to secure India's membership in the ITER nuclear fusion project.
- We will strengthen our collaboration in science and technology, especially by looking to co-sponsor collaborative research projects

in areas such as genomics, nanotechnology and high-energy physics. In biotechnology we will cooperate in confronting the global challenges posed by HIV/AIDS, tuberculosis and malaria.

- We will conclude a framework agreement on India's participation in Galileo Satellite Navigation Systems.
- We will work towards an agreement on Maritime Transport and launch a comprehensive dialogue on Civil Aviation.
- We will encourage business-to-business contacts, including holding a Business Round Table, along with Business Summits.
- We will continue to work closely together to achieve a successful Hong Kong Ministerial Conference that delivers an ambitious package allowing completion of the Doha Development Agenda in 2006.

Bringing together People and Cultures

- We will hold dialogues on migration and consular issues in the context of the opportunities and challenges flowing from the large-scale movement of people between us.
- We will increase educational co-operation through the facilitation of academic exchanges, such as Erasmus Mundus, and through encouraging the development of EU studies in India and Indian studies in the EU.
- We will continue to support civil society dialogue and the EU-India Round Table.



575. India – European Union Strategic Partnership Joint Action Plan.

New Delhi, September 7, 2005.

India- EU relations go back to the early 1960s. India was among the first countries to establish diplomatic relations with the (then) EEC. The 1994 cooperation agreement signed between EU and India took bilateral relations beyond merely trade and economic cooperation. Together with the Joint Political Statement signed in 1993 it opened the way for annual ministerial meetings and a broad political dialogue. The first India-EU Summit in Lisbon in June 2000 marked a watershed in the evolution of this relationship. Since then there have been five Summit-level interactions, the last being the Fifth Summit in The Hague on 8th November 2004. India-EU relations have grown exponentially from what used to be a purely trade and economic driven relationship to one covering all areas of interaction. The Summit in The Hague was a landmark Summit, as it endorsed the proposal to upgrade the India-EU relationship to the level of a 'Strategic Partnership'. We see this Partnership as more than just the sum of its parts. We see it as a qualitative transformation in the way we engage as equal partners and work together in partnership with the world at large.

The Strategic Importance of the Relationship

India-EU relations have developed substantially since the adoption of the 1993 Declaration. An extensive bilateral political dialogue has evolved, which includes regular annual summits, Troika Ministerial and Senior Official level meetings covering a wide range of issues. In the economic sphere, ties have expanded and we have worked closely together to strengthen the multilateral trading system and to pursue a constructive dialogue on trade and investment and economic cooperation. India and the EU, as the largest democracies in the world, share common values and beliefs that make them natural partners as well as factors of stability in the present world order. We share a common commitment to democracy, pluralism, human rights and the rule of law, to an independent judiciary and media. India and the EU also have much to contribute towards fostering a rule-based international order - be it through the United Nations (UN) or through the World Trade Organisation (WTO). We hold a common belief in the fundamental importance of multilateralism in accordance with the UN Charter and in the essential role of the U N for maintaining international peace and

security, promoting the economic and social advancement of all peoples and meeting global threats and challenges.

As the EU evolves and enlarges, and as we both face diverse and complex global challenges, it is critically important to expand our multifaceted relationship and build upon these foundations. We commit ourselves accordingly to:

- Strengthening dialogue and consultation mechanisms;
- Deepening political dialogue and cooperation;
- Bringing together People and Cultures;
- Enhancing Economic Policy Dialogue and Cooperation;
- Developing Trade and Investment.

I. Strengthening Dialogue and Consultation Mechanisms

India and the EU have effective mechanisms for dialogue at all levels. With the launching of the India-EU Strategic Partnership, it is necessary to further intensify our dialogue, both by actively strengthening existing mechanisms and making them more efficient as well as initiating dialogues in new areas being considered for cooperation. It would also be necessary to put follow up mechanisms in place in order to effectively implement the decisions taken, with a view to ensuring a more sustained and cohesive approach to issues affecting India and the EU over an increasingly wide range of sectors.

Towards this end, India and the EU will:

- Maintain the high level dialogue at Summit and Ministerial level on all issues of mutual interest. Make full use of opportunities for contacts between Indian Ministers and their EU counterparts on issues of mutual relevance;
- Continue to exchange views on regional issues and the international situation at the official and ministerial level;
- Review at the Senior Officials Meeting and EU-India Joint Commission the effective implementation of decisions taken at the political level. The progress in the implementation of the Joint Action Plan will be placed before each annual Summit, and an overall assessment will be made for the 2008 India-EU Summit.

II. Political Dialogue and Cooperation Pluralism and Diversity

Both India and the EU are multi-cultural, multi-religious and multi-lingual societies. India is a microcosm of the globe because of its sub-continental size and a population that accounts for nearly one sixth of humanity. India, with the second largest Muslim community in the world, is a paradigm of Asia's syncretic culture, and of how various religions can flourish in a plural, democratic and open society. The EU, with its expanding geographical boundaries and diversifying demography, is one of the most demographically diverse entities in the world and yet able to synthesise the diversity of its member states into a coherent whole. These are areas where both India and the EU could benefit from an exchange of experiences. Both sides share the objective of contributing to the promotion of cultural and linguistic diversity, which we consider an inalienable value, and the promotion of dialogue among cultures at the international level.

Towards this end:

- India and the EU will initiate a dialogue on Pluralism and Diversity with a view to sharing experiences and enhancing mutual knowledge of the cultural and linguistic diversity existing within India and EU;
- India and the EU will continue to encourage academic exchanges on the dynamics of pluralistic societies in Europe and Asia.

Dialogue on Regional Cooperation in the EU and in SAARC

SAARC and the EU are large entities with complex structures and diverse demographics. India and the EU would benefit from a deepened exchange of views on developments in Europe and South Asia. The European Commission already has a Memorandum of Understanding with SAARC, the main focus of which is technical assistance. The European Commission and SAARC Secretariat are currently exploring the possibilities of strengthening cooperation for technical assistance in various projects. Towards this end, India and the EU will seek to have a regular exchange of views on regional cooperation in the EU and in SAARC.

Democracy & Human Rights

Both India and the EU are committed to upholding human rights and fundamental freedoms and have ratified the major international human

rights instruments. These shared values, based on democracy, pluralism and respect for the rule of law gives strength to the relationship.

We propose to:

- Continue in a spirit of equality and mutual respect, the dialogue on Human Rights both in a multilateral and bilateral context, with the objective of building greater mutual understanding and expanding common ground in order to strengthen the foundations of the strategic partnership;
- Consult and discuss positions on human rights and democracy issues and look at opportunities for co-sponsoring resolutions on thematic issues in relevant fora such as UN Commission on Human Rights or UNGA Third Committee;
- Look together for possible synergies and initiatives to promote human rights and democracy.

Effective Multilateralism

India and the EU believe that a multilateral approach, in which the UN plays a central role, is the best way to address global challenges such as development which is economically, socially and environmentally sustainable; effective management of globalisation; terrorism; drug trafficking; organised crime; natural disasters; pandemics; and energy security.

Accordingly, we will:

- Work closely to promote effective multilateralism;
- Continue to hold regular consultations on thematic issues prior to the UN General Assembly (UNGA), and work together on negotiation and implementation of the outcome of major international conferences and Summits including on security, trade, environment, development and human rights;
- Exchange views on the issues raised by the Secretary General of the United Nations in his comprehensive report entitled 'In Larger Freedom: Towards Development, Security, and Human Rights for all';
- Endeavour to invite each other reciprocally for conferences sponsored by either side where the other is, or can be, a participant.

Peacekeeping, Peace - Building and Post-Conflict Assistance

India and the EU have a common interest in UN peacekeeping and in post-conflict political and economic rehabilitation and reconstruction.

We propose to work together in the first instance in the following areas:

- Consultation before major UN debates on peacekeeping and peace-building and in the preparation of major peace conferences;
- Establishing a dialogue at official level on UN peacekeeping and peace-building to exchange perspectives on conceptual and operational aspects of Peacekeeping Operations, including post-conflict reconstruction and rehabilitation, in order to identify and develop specific areas of cooperation in the following sectors:
 - Training for military and civilian components of peacekeeping missions, including Police and other security forces;
 - Exchange of trainees and instructors between Peacekeeping Training Centres of India and EU Member States;
 - Joint support of UN peacekeeping and peacebuilding efforts, including as regards improved analytical capacities and greater cooperation between EU and Indian components of UN peacekeeping missions;
 - Trade and development in peace-building;
 - Post-conflict and confidence building projects in other regions of the world;
 - Seminars and other activities designed to facilitate post conflict management.

Disarmament and Non-Proliferation of WMD Security Dialogue

India and the EU have a shared interest in working towards achieving the goals and objectives of universal disarmament and non-proliferation of weapons of mass destruction and their means of delivery. The proliferation of weapons of mass destruction and its linkages with terrorism poses a threat to international peace and security.

In this context, we resolve to enhance collective action to fight the proliferation of WMD as well as their means of delivery. We believe that our response to proliferation challenges requires strengthened multilateral consultations and the pooling of all efforts and resources. We agree that effective export control measures for dual use goods can play an important role in preventing proliferation, and at the same time, such measures should not hamper international co-operation in materials, equipment and technology for peaceful purposes. We will establish a bilateral India-EU Security Dialogue at Senior Official level which will include regular consultations on global and regional security issues, disarmament and nonproliferation to increase mutual understanding and identify possible areas of cooperation.

Fight Against Terrorism and Organised Crime

India and the EU recognise the fact that terrorism constitutes one of the most serious threats to international peace and security, and reaffirm their condemnation of all acts of terrorism as criminal and unjustifiable, irrespective of their motivations, forms and manifestations. We propose to work together to strengthen our cooperation in counter-terrorism efforts in accordance with the UN Charter and applicable principles of international law. We agree to:

- Support the work of the UN to ensure universal respect for and full implementation of all relevant UN Security Council Resolutions (UNSCRs), UN conventions on terrorism and related protocols;
- Cooperate in the fight against terrorism and establish contacts between the Indian and EU Counter Terrorism Coordinators;
- Cooperate in the fight against trafficking in drugs and psychotropic substances, and the diversion of chemical precursors related to their production;
- Work closely to promote the early entry into force of the International Convention for Suppression of Acts of Nuclear Terrorism and for the early conclusion of the Comprehensive Convention on International Terrorism;
- Work together to reduce terrorist access to financing and to fight money-laundering, and monitor suspicious transactions, taking into account international standards adopted by the Financial Action Task Force (FATF);

- Exchange views on how to develop the comprehensive United Nations counter-terrorism strategy based upon the recommendations in the Secretary General's report "In Larger Freedom";
- Expand the EU-India dialogue to include the link between drug trafficking and terrorism, document security, illicit arms trafficking and cyber-terrorism;
- Promote cooperation between Europol on the EU side and the Central Bureau of Investigation (CBI) on the Indian side;
- Establish an Indian contact point in India for Eurojust.

III. Bringing Together People

Migration and Consular issues

The subjects of Migration and Consular Issues are increasingly important in the context of globalisation, given the large-scale movement of people from region to region for economic or other reasons and the large migrant communities in both India and the EU. It is important to note that India is a source, transit point and a destination for migrants. We recognise that we need to maintain a constant dialogue on all aspects relating to migration and consular issues. We also recognise that facilitation of movement of people is an important aspect of improving people-to-people contacts. Given the inter-connections between migration and other issues such as public security, we are convinced of the need for an exchange of views in this area. It is, therefore, felt useful to hold a comprehensive dialogue on migration issues. The India-EU Joint Working Group on Consular Issues was set up following the first India-EU Summit in Lisbon in 2000, in order to enhance cooperation in facilitating the movement of people between India and the EU, including the speedy delivery of consular and visa services and enhancing business relations and tourism. The Working Group meets twice a year to discuss issues of concern on either side. We encourage it to continue its work, with a view to further facilitating progress.

We will therefore:

- Hold dialogues on all aspects of migration and consular issues of interest to us;
- Encourage institutions on either side to undertake joint studies on problems relating to skillset shortages and the changing demographic profiles in our regions.

Parliamentary Exchanges

As the two largest democracies in the world, the importance of regular Parliamentary interactions between India and the EU can hardly be over-emphasised. They are essential to enhance understanding of each other's points of view on matters of interest to both sides. They also encourage greater understanding of each other's democratic systems and areas of responsibility.

We propose to:

- Work towards the further development of EU-India friendship groups in the Indian Parliament and the European Parliament;
- Organise regular exchanges of visits by Parliamentary delegations, including by the Speaker of the Lok Sabha to the European Parliament and the President of the European Parliament to the Indian Parliament;
- Encourage greater interaction between subject-specific Parliamentary Committees on both sides.

Eudcation & Academic Exchanges

We are convinced that cooperation between institutions of higher education and the exchange of scholars and students play a significant role in enhancing mutual knowledge. We therefore propose to build on existing programmes between India and EU Member States and develop new initiatives to accord greater opportunities to students from both sides to study in each other's universities.

We will seek to:

- Promote the implementation of the India Window of the Erasmus Mundus Scholarship Programme; and encourage continuation of the programme;
- Link up Websites of Indian and EU Universities and academic institutions in order to better inform students of academic opportunities in each other's areas;
- Encourage the development of EU studies in India and Indian studies in the EU, by encouraging installation of Chairs and/or Centres of Modern Indian Studies in EU Universities and of EU Studies in Indian Universities including EU languages;

- Facilitate access to academic institutions and residence in each other's territory of students admitted into bona fide programmes of such institutions.

Civil Society Exchanges

The First India-EU Summit in Lisbon in June 2000 recognised that the involvement of organized civil society in the dialogue between the two sides would add a new dimension to India-EU relations. Given the vibrant and free civil societies that flourish in India and in the EU, it was felt that the creation of a forum to institutionalise such interaction would enhance each other's understanding of regional and global problems through open and frank discussions. In pursuit of this approach, the India-EU Round Table was inaugurated in January 2001 so as to complement the existing political, economic and social links. Eight Round Tables covering diverse areas of mutual interest have been successfully held. We will seek to expand our cooperation through:

- Promoting cooperation between political parties, trade unions, business associations, universities and civil society (including Think Tanks and NGOs);
- Developing the India-EU Civil Society Internet Forum enabling enhanced exchange of ideas between civil society actors;
- Continuing to support the work of the India-EU Round Table, and its integration into the institutional architecture of the India-EU relationship.

Cultural Cooperation

The E U and India, which enjoy rich and diversified cultural traditions, recognise culture as an important instrument to foster close cooperation among States. We express satisfaction at the ongoing programmes and cultural exchanges between India and EU Member States and will endeavour to increase these exchanges both at the institutional level as well as at the level of public and private organisations. We believe that more areas of cooperation can be further considered and exploited, especially in fields where longstanding cultural traditions, as well as contemporary creations, can enrich such cooperation and make it fruitful. We will identify such areas and explore ways of collaboration.

We will in particular seek to:

- Work towards full implementation of the Cultural Declaration;
- Hold India-EU Cultural weeks on a reciprocal basis as part of the India-EU Summit activities, with both sides facilitating participation, funds and logistics;
- Facilitate participation by both sides in Film Festivals and other relevant cultural events to be organised in each other's territories;
- Develop cooperation programmes in preservation and restoration techniques;
- Promote dialogue between respective audiovisual industry with a view to stimulating cooperation and exchange programmes; co-production, circulation of cultural works between Europe and India and training professionals;
- Exchange views on cultural diversity including on developments such as the adoption of the UNESCO Convention on the Protection and the Promotion of the Diversity of Cultural Expressions;
- Undertake possible joint action to increase awareness of European culture in India and Indian culture in Europe, including meetings, seminars and thematic conferences which gather professionals, in particular from the audiovisual sector;
- Undertake twinning between European and Indian cities, in accordance with each other's guidelines.

Increasing Mutual Visibility

India and the EU are large geographical entities, with complex and diverse demographics and rich histories and cultural traditions. This necessitates a conscious effort on both sides to inform each other's public opinion. Both societies are evolving rapidly and there is a constant need to update the media image on both sides. The strategy to enhance mutual visibility should include enhancing the effectiveness of available instruments at our disposal, in addition to exploring new ones.

To this end, we propose to:

- Promote more intensive media coverage of India in the EU and vice versa;

- Enhance journalistic exchanges between the two sides;
- Organise short term information courses and thematic conferences for journalists on a reciprocal basis;
- Promote tourism in both directions and especially enhance interaction between youth groups including cooperation in the field of sport. Develop periodically EU-India thematic cultural years (eg cinema, music, dance, literature.)

IV. Economic Policy Dialogue and Cooperation

A strengthened exchange of views and information between India and the EU on matters of mutual interest in the areas of economic cooperation will improve the business environment, leading to strengthened economic relations. Moreover, in the long term, it will help to reduce obstacles to bilateral trade and investment.

For this purpose, both sides agree to the setting up of discussion platforms including several new Working Groups. Inter-linkages between the Working Groups will be through the existing Sub- Commissions and the Joint Commission.

Industrial Policy

Cooperation between India and the EU on industrial issues and understanding of the regulatory framework has been growing in recent years. Under the 'Joint Initiative to Enhance Trade and Investment', the two sides jointly carried out general as well as eight sector specific studies on trade and investment matters. On the basis of the results of the studies, Indian and European business associations brought out a set of recommendations, which were placed before the 2001 and 2002 Summits. Considering the potential for a further enhanced dialogue, both sides agree to:

- Establish a platform for the exchange of information and views on industrial policy and to enhance mutual understanding of regulatory frameworks;
- Continue and reinforce dialogue in existing and strengthened Working Groups and encourage discussion in various sectors;
- Exchange information on competition policy in areas of mutual interest, with a view to increasing cooperation;

- Develop a dialogue on best practices in the field of corporate governance;
- Establish a Working Group on Food Processing Industries.

Following the useful Joint Initiative studies, both sides also agree that a new initiative on enhancing bilateral Trade and Investment would be taken up.

Science and Technology

In both India and the EU, the development of science and technology (S&T) capabilities, to help boost innovation and competitiveness, has taken centre stage in policy making. India and the EU began cooperation in the S&T sectors in the mid-1980s, which has now led to more than a hundred joint research projects. Research collaboration has mainly focused on sustainable development key themes (health, agriculture, natural resources management)

The India-EC Science and Technology Cooperation Agreement entered into force on 14 October 2002. It has been a major milestone in bringing together our S&T expertise for our mutual interest. Yet the potential for more India-EU collaboration in many new and emerging high-tech areas is huge. India is a priority country for collaboration under the international dimension of the EU's Sixth Framework Research Programme (FP6) and for participating in the preparation of FP7 so as to synergise it with India-EC S&T Agreement. We share a firm commitment to foster European and Indian joint research, for our mutual benefit and as a contribution to solving global issues. In order to build upon our well-established policy dialogue and partnership in S&T, India and the EU propose to:

- Organise joint workshops on research fields of mutual interest among EU's thematic research priorities;
- Promote participation by Indian researchers in the Research and Technological Development (RTD) Framework Programme;
- Explore with India other scientific and technical collaboration possibilities, such as joint research in the areas of frontier technology/cutting edge technology;
- Seek to increase mobility, exchanges and access of researchers between India and Europe.

- As agreed at the 2nd India-EC Science and Technology Steering Committee meeting held at New Delhi on 29th April 2005, make further pro-active use of the India-EC S&T Agreement to co-sponsor collaborative activities and research projects in areas, such as:
 - Information Science and Technology;
 - Genomics and Biotechnology for Health;
 - Nanotechnology and Functional Materials;
 - Road Transport Research and Development;
 - High Energy Physics (Accelerator Science and Technology).

Finance and Monetary Affairs

India and the EU have a strong and growing presence in international financial discussions. The introduction of the Euro has strengthened the EU's role and responsibilities in the international monetary arena. In an increasingly interdependent and global economy, where the financial and monetary policies of one major economic actor affect others, India and the EU share a common interest in developing an in-depth policy dialogue on global financial and monetary issues. For this reason, India and the EU should promote exchange of views and information between relevant institutions and policy makers in the economic and financial domain. This would allow an exchange of views on macroeconomic and financial matters of common interest. Dialogue already taking place in various fora should be further strengthened.

To this end it is agreed to:

- Hold regular consultations at an appropriate senior level on matters of common interest as and when necessary for issues considered appropriate by mutual consent;
- Establish a regular macroeconomic dialogue on matters of common interest;
- Identify academic institutions on both sides for increasing academic cooperation and exchange in these areas;
- Exchange information on financial services regulatory policies, banking systems and accounting standards;
- Encourage the European Investment Bank to continue its

involvement in investment in India, and to explore strengthening it in the future.

Environment

India and the EU are committed to creating the conditions necessary for sustainable economic development. Each recognises the interdependencies in the field of environment and the transboundary character of many environmental problems. As major global actors, both partners are fully conscious of their capacity to play a central role in international efforts towards better environmental global governance. India and the EU are signatories and active contributors to the main multilateral instruments, including the Kyoto Protocol, and the UN Convention on Biodiversity. To realise our shared vision of making sustainable development a reality, India and the EU will seek to:

- Strengthen the dialogue on global environmental issues with a view to building mutual understanding in particular on the UN Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, the Montreal Protocol on Substances that Deplete the Ozone Layer, the UN Convention to Combat Desertification and the Convention on Biological Diversity;
- Hold meetings of the Joint Working Group (JWG) on Environment on a yearly basis and develop high level visits;
- Organise an India-EU environment forum in 2005 with stakeholders involving business, academia and civil society to exchange views and information;
- Hold an experts' meeting to exchange views on voluntary eco labelling schemes;
- Identify key environmental issues and approaches to sustainable development where exchange of experiences and cooperation could be mutually beneficial.

Clean Development and Climate Change

India and the EU agree that urgent action is required by all countries to address the issue of climate change on the basis of equity and in accordance with their common but differentiated responsibilities and

respective capabilities. Both sides are of the view that in the years to come the UNFCCC and the Kyoto process must gain further momentum. India and the EU also urge Parties to the Kyoto Protocol to achieve their targets, where obligated for the first commitment period. India and the EU further commit themselves to work together closely on future global negotiations for tackling climate change, consistent with the principles of UNFCCC beyond 2012. Accordingly, India and the EU agree to launch an India-EU Initiative on Clean Development and Climate Change. This Initiative will focus on voluntary practical measures, and be taken forward at successive India-EU Summits. In view of the particular importance of cleaner technologies for tackling climate change, both sides further agree to:

- Identify and develop ways of widening access and overcoming the barriers to dissemination of such technologies in India and the EU and more widely;
- Increase funding and promote public-private partnerships for research and development of cleaner technologies;
- Promote adaptive research and development to suit the resource endowment of both parties;
- Reduce the price gap between “cleaner” and “less efficient” technologies by seeking economies of scale;
- Hold experts’ meetings on climate change, including on the Clean Development Mechanism (CDM) in 2005. It was further decided that India and the EU would take steps to encourage and promote sustainable patterns of consumption and production to lessen the causes and adverse impacts of climate change. India and the EU agree to strengthen the implementation of the CDM to promote cooperation on CDM between India and the EU and to encourage our companies to engage in CDM projects.

The proposed India–EU Seminar on CDM would also explore the possibilities of making CDM processes more efficient, and with reduced transaction costs. India and the EU will cooperate on improving our adaptation to climate change and integrate adaptation concerns into our respective sustainable development strategies. Both sides agree to cooperate to enhance the scientific, technical and institutional capacity to predict climate change and its socio-economic impacts. Research and

development on technologies and measures to adapt to climate change will be further pursued by India and the EU.

Energy

Energy is of major significance for both India and the EU. Both sides recognise the need to work towards achieving safe, secure, affordable and sustainable energy supplies. Joint efforts in the development of more efficient, cleaner and alternative energy chains will be paramount. In this context, an India-EU Energy Panel has been set up to coordinate joint efforts and discuss energy related matters of mutual interest. The Energy Panel has decided to set up Working Groups in the areas of:

- Energy efficiency and renewable energies;
- Coal and clean coal conversion technologies;
- Fusion energy including India's membership in ITER.

Both sides agree to cooperate closely in the areas of:

- Promoting energy efficiency and energy conservation;
- Development of affordable clean energy technologies;
- Identification of new technologies in the field of new, renewable, conventional and nonconventional energy sources;
- Oil and gas, with a view to promoting security of supplies and stability in prices;
- Nuclear energy;
- Technology and expertise in exchange of energy between different grid systems and development of energy markets;
- Development of hydrogen and fuel cells;
- Methane recovery and use.

Information and Communication Technologies

Information and communication technologies (ICT) influence all areas of society, business and government. The development and widespread adoption of new ICT services and networks have powerful effects on economic and social development. India has developed a strong capacity in ICT, capturing a large and growing share of the world market for IT and

software services. With its large pool of talented IT specialists and world class facilities for IT research and development, India is considered an important partner for Europe and vice versa. Many ICT researchers and businesses on both sides are keen to strengthen links with their counterparts.

In 2001, India and the EU took further concrete steps to promote mutual cooperation in the development of ICT and a modern information society, as expressed in the Joint EU India Vision Statement on IT adopted at the Second Summit in New Delhi.

By building upon our already extensive information society dialogue, the EU and India have agreed to:

- Enhance India-EU cooperation in the Seventh Framework Programme;
- Under the umbrella of the India-EU Information Society Dialogue, exchange views on a regular basis on:
 - e-commerce
 - internet governance
 - universal service;
- Exchange views between relevant authorities of India and EC on these areas of common interest in appropriate fora;
- Encourage India-EU joint research proposals and collaboration activities, in particular, for the following fields: 4G, e-government, e-education and e-health;
- Exchange best practices and information on regulatory frameworks (internet governance, privacy and security, spamming) and for electronic communications (e.g. mobile aspects, universal service);
- Exchange views on Telecommunication spectrum management and on roaming and interoperability of telecommunication services;
- Work towards GEANT-ERNET connectivity with the objective of connecting EU and Indian Information networks to facilitate research and technology linkages;
- Continue Information Society Technologies (IST) awareness through workshops and seminars.

Transport

India and the EU have a common interest to explore synergies in developing reliable, safe and secure transport networks and linkages, which respond to the needs of individuals and business. Efficient transport systems will increase competitiveness on both sides and enhance our attractiveness as investment locations. The EC's economic cooperation with India in the field of transport is well established. The India- EC Civil Aviation Project is the largest bilateral economic cooperation project in India. The project aims to strengthen civil air safety and stimulates cooperation between Indian and the EU civil aviation authorities and European aerospace industries. The India-EC Maritime Transport Project, which ended in late 2003, inter alia, contributed to electronic data interchange programme in the port sector in India. To advance our mutual interests in this important sector, India and the EU have agreed to:

- Work towards the conclusion of a Maritime Agreement;
- Launch a broad-based dialogue in the sector of civil aviation including closer cooperation in air transport technology, regulation and infrastructure and assess the scope for mutual benefits that could derive from such dialogue;
- Explore the possibility of continuing and expanding the scope of the existing Civil Aviation Project;
- Continue discussions, as a matter of priority, on a horizontal agreement between India and the EU resolving legal issues in bilateral air services agreements.

Space Technology

Both India and Europe are at the cutting-edge of research in the field of Space Technology, and there is a wide scope for cooperation. With a view to promote collaboration and provide an appropriate environment for fruitful cooperation in the space sector, both parties will:

- Support further collaboration and dialogue between Indian Space Research Organisation (ISRO), Department of Space (DOS) and the European Space Agency (ESA) and the European Commission, in areas such as earth observation and remote sensing for monitoring of natural resources and environment, communications,

meteorology, navigation, life and material sciences under micro gravity conditions, space exploration, space sciences and any other area relevant to our respective Space programmes;

- Jointly identify specific new areas/projects of cooperation between the respective space agencies for further discussion/implementation through the existing mechanism for technical cooperation;
- Conclude a framework agreement on India's participation in Galileo Satellite Navigation Systems.

Pharmaceuticals and Biotechnology

The EU is the second largest centre of biotechnology research activity in the world and Indian biotechnology is advancing rapidly. Opportunities for partnership in areas such as new discoveries, preclinical/clinical trials and bio-informatics already exist and the potential for collaboration in agri-biotechnology, food safety and pharmaceuticals is growing. Greater interaction and enhanced cooperation between respective EU and Indian administrations, industry and research institutions would lead to faster progress and greater benefits for all. For this reason the EU and India agree to:

- Set up a Working Group on Pharmaceuticals and Biotech and in this framework they agree to hold experts' meetings, as a matter of priority, with the participation of European Agency for Evaluation of Medicinal Products (EMA) on the EU regulatory approach in the field of Ayurveda products;
- Exchange information on the regulatory framework, on best practice in funding, research, environmental issues, technical exchange programmes, and infrastructure support institutions;
- Cooperate on confronting global challenges posed by diseases such as HIV/AIDS, tuberculosis and malaria, and as part of this seek to organise a Conference on development of vaccines for HIV/AIDS, malaria and tuberculosis.

Agriculture

India and the EU appreciate the social and economic importance for both sides to develop and preserve a dynamic agricultural sector. To

create the conditions necessary for an efficient, modern and diversified agricultural sector, the EU and India have agreed to:

- Exchange views in relation to our respective agriculture policies including modernization and other issues;
- Explore issues of reciprocal interest in agriculture trade;
- Reinforce the dialogue in the restructured Working Group on Agriculture and Marine products. Both sides will identify new areas of cooperation in this Working group and meet in parallel with the newly created Joint Working Group on Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBTs).

Customs

The EU is India's largest trading partner and India-EU bilateral trade has been showing great dynamism. Both sides agreed that trade volumes can be further boosted. The EU and India are committed to understanding the problems faced by EU and Indian companies in relation to customs controls. To help overcome various obstacles to trade and improve supply chain security, India and the EU propose to:

- Ensure full exploitation of the agreement between the EC and India on cooperation and mutual assistance on customs matters through development of a cooperation programme by the Joint Customs Cooperation Committee;
- Strengthen the dialogue on customs issues including issues such as valuation and classification, rules of origin etc;
- Discuss the role of customs in the implementation of relevant trade and commercial policy issues.

Both sides also agreed to:

- Deliberate on harmonisation, implementation and enforcement of customs laws, procedures and working methods;
- Cooperate on security and facilitation in the international trade supply chain and in tackling commercial fraud;
- Discuss and cooperate in modernisation and capacity building;
- Explore exchange of information within the framework of the customs

agreement and to discuss the establishment of formal channels of communication.

Employment and Social Policy

Employment and social policies are core issues within the EU and the Government of India has put them at the heart of its policy approach. India and the EU are committed to promote full, freely chosen and productive employment with full respect for fundamental principles, fair wages and rights at work. India and the EU share a common interest to develop a policy dialogue on employment and social security to share experience, periodic exchange of views and information on:

- Labour and employment issues, including on employment policies, restructuring, the global employment opportunities and requirements for trained manpower;
- Human resource management in particular through training and skills development;
- Social security.

Business Cooperation

The close association of industry and business in India-EU cooperation as well as dialogue between businesses from both sides are crucial to achieving the common goal of enhanced trade and investment. Industry and business of India and the EU are not only competitors but also partners. Regular business summits have been held since 2001. These summits have helped to create better understanding of the opportunities and obstacles in a broad variety of sectors. The recent phenomenon of Indian investments in EU especially in knowledge-based sectors of IT, Pharma, etc., has added a new dimension to overall India-EU economic relations. Both sides should build on those experiences to promote a strategic discussion on improving business links. We have therefore decided to:

- Hold a Business Round Table on a regular basis together with the Business Summits.
- Industry Associations concerned on both sides will take appropriate action to continue the Business Summit and Business Round Table initiatives. The Round Table will come up with innovative ideas to further trade and investment;

- Promote the development of networks for sectoral industrial cooperation and investment promotion;
- Further discuss strengthening of the existing information dissemination mechanism and explore the need for new instruments for facilitating EU-India trade and investment;
- Reinforce business-to-government dialogue based on the work undertaken under the Joint Initiative for Enhancing Trade and Investment, which should feed into the sectoral policy dialogues;
- Operationalise the Trade and Investment Development Programme (TIDP) Web portal to provide both sides with comprehensive information on trade and investment issues.

Development Cooperation

Against the backdrop of thirty years of engagement between India and EU both sides are committed to achieve progress with regard to the Millennium Development Goals and related international agendas. Since 1976, the EC has committed around €2 billion of development cooperation to India. The allocation for the 2002-2006 programming period is €225 million. An emphasis has been placed on health, education, water and environment. This commitment should be further enhanced. With a view to provide impetus to India-EU cooperation it is proposed to deepen development cooperation in Health and Education sectors, under which the EU - working together with the Government of India - will aim to significantly enhance development cooperation to supplement Indian programmes, namely Sarva Shiksha Abhiyan (SSA) and the National Rural Health Mission (NRHM), two important social sector programmes, for the remaining period of the 10th Five Year Plan and the 11th Five year Plan periods of the Government of India. India is itself becoming an increasingly active player in an evolving development policy: it is both a recipient and donor, a user of developmental innovations and an exporter of new concepts. India's position as an emerging bilateral donor under the 'Indian Development & Economic Assistance Scheme (IDEAS)' could pave the way for a fruitful EU-India dialogue on optimal implementation of development cooperation in third countries. We are committed to implementing the following actions:

- Operationalise States Partnership programme (€160 million) during 2005;

- Exchange views on global development issues;
- Evaluate the past fifteen years of India-EC bilateral cooperation and its impact, with the involvement of relevant authorities on both sides;
- Further explore EC-India cooperation in development projects in third countries;
- Aim to enhance significantly EU development cooperation for the universalisation of elementary education (Sarva Shiksha Abhiyan) and the National Rural Health Mission of the Government of India.

V. Developing Trade and Investment

India and the EU agree to take positive steps to further increase bilateral trade and economic cooperation and to tackling barriers to trade and investment. Private sector contacts would also be further developed. While trade and investment flows between India and the EU have been increasing, they remain below potential. Therefore, to enhance economic cooperation the following steps are proposed:

High Level Trade Group

India and the EU agree to establish a High Level Trade Group to study and explore ways and means to deepen and widen their bilateral trade and investment relationship. The Group will report to the next summit in 2006, including the possible launch of bilateral negotiations on a broad-based trade and investment agreement. Within this framework, and in order to increase investment in India and the EU, the scope of a possible investment agreement will be explored.

World Trade Organisation (WTO) / Doha Development Agenda (DDA)

India and EU are committed to a successful outcome of the Hong Kong Ministerial in December 2005 and agree to move forward the Doha Development Agenda (DDA) negotiations to a successful conclusion as a matter of priority. In this respect both parties agree to continue their dialogue with a view to greater convergence in areas of mutual interest. To this end the India and EU agree to strengthen their dialogue on the DDA negotiations which inter alia include Agriculture, Non-Agricultural Market Access (NAMA), Services, Trade Facilitation, Antidumping, Geographical Indications, Special and Differential Treatment, and Implementation, including as regards the

relationship between Trade-related Intellectual Property Rights (TRIPs) and the Biodiversity Convention.

Public Private Partnership (PPP)

Both parties agree to initiate a discussion on Public Private Partnerships (PPP) and as a first step to exchange information and experiences with a view to, inter alia, enhancing investment in infrastructure. The two sides agree to set up an Expert Group to identify policy level changes required to promote PPP.

Intellectual Property Rights (IRP)

India and the EU attach importance to achieving effective and comprehensive protection of geographical indications (GIs). As a first step, India and the EU shall exchange information on their respective GI protection regimes and hold an expert meeting on GIs in 2005 with a view to strengthening their technical cooperation on GIs. Both parties agree to establish an appropriate dialogue to discuss IPR policy, regulatory issues, implementation and enforcement, as well as the general objectives and/or framework. To this end, both parties agree to establish a forum for a regular exchange of views and information on domestic regulatory policies and practices and enforcement issues. This forum shall also cover related technical assistance and capacity building initiatives.

Technical Barriers to trade (TBT)/Sanitary and phytosanitary (SPS) issues

The two sides agreed to establish a TBT/SPS Working Group and to hold the first meeting before the end of 2005. This would deepen the dialogue on TBT and SPS issues respectively with a view to facilitating bilateral trade and increasing market access.

Trade Defence Instruments

India and the EU have agreed to activate the expert meetings according to the already agreed terms of reference.

Services

India and EU agree to exchange information and initiate a dialogue on regulatory policy including Mutual Recognition Agreements (MRA's) and

domestic regulations and market access issues related to services. Priority areas should be agreed before the end of 2005.

Public Procurement

Both parties agreed to exchange information on public procurement policies.¹



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1. On September 5, the Spokesperson of the Ministry of External Affairs while giving background briefing had told the media:
"One of the most important outcomes of this Summit will be the endorsement by India and the EU of a Joint Action Plan. This is the first such Action Plan we have with any of our partners. It provides the necessary framework for deeper cooperation and engagement over a range of interactions, as envisaged by the Strategic Partnership launched by the two sides at the 5th India-EU Summit held last year at The Hague.
The Joint Action Plan provides for intensified political dialogue and cooperation, with a view to meeting common threats and global challenges, starting with terrorism. India and the EU would also be intensifying their interactions in promoting effective multilateralism, strengthening UN peacekeeping and peacebuilding as well as establishing an EU-India security dialogue on global and regional security issues, disarmament and non-proliferation. A major part of the Action Plan is devoted to intensifying economic dialogue and cooperation, trade and investment. It looks at specific measures to help enhanced trade and investment flows between India and the EU in various sectors. It also looks at ways and means of enhancing cooperation over several areas, including the social sector, science and technology, space, energy, clean development and climate change, information and communication technology and transport. There are also sections in the Action Plan on bringing together our peoples and cultures. The Action Plan provides for dialogue on migration and consular issues as also educational cooperation through the facilitation of academic exchanges, and civil society dialogue.
The two sides will also issue a Political Declaration on the India-EU Strategic Partnership. The Political Declaration sums up the salient features of what we wish to achieve together as Strategic Partners. India was among the first countries to establish diplomatic relations with the (then) EEC in 1963. The 1994 cooperation agreement signed between EU and India took bilateral relations beyond merely trade and economic cooperation. Together with the Joint Political Statement signed in 1993 it opened the way for annual ministerial meetings and a broad political dialogue. At the first India-EU Summit in Lisbon in June 2000 a decision was taken to hold annual Summits. The 5th Summit at The Hague in Nov 2004 endorsed the EU's proposal to upgrade its relationship with India to a 'Strategic Partnership'. The EU has strategic partnerships with only five other countries - USA, Canada, Russia, Japan and China. India now joins this select club, as a country which the EU sees as a "regional and global leader... engaging increasingly on equal terms with other world powers".
The EU (as a bloc of 25 nations) is India's largest export destination and has a share of over 24% in her total exports. In the year 2004, India was the 19th largest exporter to the EU. On the other hand, India was the 16th largest importer of the EU's products. India's exports to the EU in 2004 were Euros 16 bn and imports were worth Euros 17 bn. The EU is one of the largest sources of FDI for India. Taking the period from 1991 to 2003, the total FDI approvals for EU-15 have approximately been \$15 billion. The actual cumulative inflows are however around 6.2 billion Euros (US\$ 5.6 billion). The most important countries in the EU for FDI are UK, Germany, and Netherlands followed by France, Italy and Belgium."

EUROPE

576. Special Briefing by Secretary (East) Rajiv Sikri on the eve of President A.P.J. Abdul Kalam's visit to Europe.

New Delhi, May 20, 2005.

Official Spokesperson : Good afternoon, everybody and thank you for coming for this special briefing which is being done today by Secretary (East), Mr. Rajiv Sikri. I would request Secretary (East) to kindly address the press on the President's visit to Iceland, Switzerland, Ukraine and Russia, and then we will take questions.

Secretary (East) : Good afternoon, ladies and gentlemen. Rashtrapatiji is leaving on the 22nd of May on state visits to four countries. First he will visit Russia from 22nd to 25th May; then he goes on to Switzerland from 25th to 29th May; thereafter to Iceland between 29th May and 1st June; and finally he will be visiting Ukraine from 1st to 4th June.

Rashtrapatiji's visit to Russia will be the first visit by an Indian President after the break up of the Soviet Union. The last Indian President who visited Russia was President Venkataraman in 1988. This visit will provide a welcome opportunity to reaffirm the importance and strength of our traditionally close, friendly, time-tested, multifaceted ties with Russia. It will provide the opportunity to take our relations forward in all respects and to establish personal contacts with the Russian leadership and Rashtrapatiji.

During his stay in Russia, Rashtrapatiji will be naturally meeting with President Putin who will host a state banquet in his honour. He will be meeting with the Prime Minister Mr. Fradkov who will be hosting a dinner for him. He will be visiting the State Duma and meeting other members of the Duma. In addition, apart from the ceremonials like visit to the Tomb of the Unknown Soldier, he will be visiting the Moscow State University, the Russian Academy of Sciences and a few scientific and defence establishments in Moscow. During his stay, he will also meet with some Indologists and scholars, children, Indian children from the Embassy school, as well as the Indian community at a reception that would be hosted by our Ambassador in Moscow.

Our relations with Russia, as is well known, are very multifaceted, covering important areas like science, technology, defence, space, atomic energy and now increasingly the energy sector. IT could be another important area of cooperation. So, we expect Rashtrapatiji's visit to lead to further development and diversification of all these ties in diverse fields.

Turning now to Switzerland, Rashtrapatiji is going at the invitation of the President of Switzerland. It is a return visit for the visit that the President of Switzerland paid to India in 2003. It will certainly further consolidate and strengthen our excellent bilateral relations. The focus of the visit will be on science and technology. The visit involves visits to a number of establishments like the European Organisation for Nuclear Research in Geneva, the Federal Institute of Technology of Lausanne, the Federal Institute of Technology of Zurich. He will use all these occasions to interact with scientists, scholars, academia. He will have, in Berne, official meetings with the President and the Swiss Federal Councillors and there will be a banquet that would be hosted for him.

The other element is that we hope that there could be some forward movement on getting more investments from Switzerland in diverse spheres. The Swiss have set up an India-specific Swiss Technology Venture Capital Fund. FDI and trade between India and Switzerland is reasonably good.

From Switzerland, Rashtrapatiji flies to Iceland. There he is the guest of President of Iceland Mr. Grimson who was in India on a state visit in October 2000. Incidentally, he was also here a few months ago on a private visit. This will be the first ever State visit, a high-level visit from India to Iceland. During his stay in Iceland, Rashtrapatiji will be having meetings with the President and the Prime Minister of Iceland. The programme includes visits to various scientific establishments on the island. It is possible that there one or two agreements like air services, foreign office consultation could be signed. Since Iceland is a relatively small country, our level of trade is not that high but there are some joint ventures of interest, particularly in the pharmaceuticals sector, software and fisheries.

Finally, Rashtrapatiji flies to Ukraine where he will be the guest of President Yushenko with whom he will have talks, who will also host a banquet in his honour. There will also be a meeting with the Prime Minister of Ukraine followed by lunch. There could be one or two agreements that could be signed. The programme there also, apart from the ceremonials

like visits to Tomb of the Unknown Soldier, will have a scientific focus. The Rashtrapatiji will be visiting the National Academy of Sciences, addressing the Kiev National University and, as is normal, would be meeting the Indian community, Indologists as well as Indian students during his stay there. He will also visit some of the most famous Lavra Pechera Cathedral. There is an opera where he will be invited. Then, while in Ukraine he also visits Dnepropetrovsk where again he will have meetings with the scientific and academic community.

I forgot to mention that Rashtrapatiji during his visit to Russia is also visiting St. Petersburg on the 25th. During his stay there, which will be for about half a day, he will have a brief meeting with the Governor and visit to scientific establishments like the Arctic and Antarctic Institute, the Leiser Institute and a visit to the world famous Hermitage.

Rashtrapatiji during his tour will be accompanied by Shri Jagdish Tytler, Hon. Union Minister of State (Independent Charge) for Overseas Indian Affairs, some Members of Parliament, scientists, and senior officials and, of course, a media contingent. Rashtrapatiji will return to India on the 4th of June. Thank you.

Question : Was Russia included in the Presidential itinerary on his request? ... (Inaudible)...

Press Secretary to President : It is always in consultation with the Ministry of External Affairs and the negotiation which goes on with the host country. But President himself is quite keen to visit Russia. That is fine. That is okay.

Question : Why I ask this question is over the past few months there have been at least four occasions where Prime Minister Manmohan Singh and President Putin have met. Even President Kalam had an occasion to meet ... (Inaudible)...

Secretary (East) : I do not think there is anything unusual in having visits by Presidents to Russia. I just mentioned that President Venkataraman had visited Russia. I do not remember all the earlier Presidents who had visited Russia. But I think there have been many other visits there. The Russians were very keen that Rashtrapatiji should visit Russia. When we have such a wide-ranging, friendly and close relationship, there is nothing to prevent Rasthrapatiji from visiting Russia. There is no such rule that

Rashtrapatiji visits only those countries which are not visited by the Prime Minister. I have some information here. Former Presidents who have visited Russia include Dr. Rajendra Prasad in 1960; Dr. S. Radhakrishnan in 1964; Shri Zakir Hussain in 1968; Shri V.V. Giri in 1970; Shri N. Sanjiva Reddy in 1980; and Shri S. Venkataraman in 1988. So, there is a whole history of Presidential visits to Moscow. There is nothing unusual in that.

Question : Besides emphasizing on science and technology, will the President be visiting any defence establishments, particularly the Brahmos facility?

Secretary (East) : Certainly during his stay there he will visit defence establishments of interest to India and to him personally. It is perfectly natural. Defence cooperation between India and Russia is, as is well known, a very important element of our overall cooperation. Yes, there will be some visits both in Russia and Ukraine because Ukraine also is a part of the same military industrial complex.

Question : You said some Members of Parliament are accompanying the President. Who are they?

Secretary (East) : The two Members of Parliament who are accompanying are Shrimati N.P. Durga and Shri Milind Deora.

Question : Is any agreement going to be signed in the field of pharmaceuticals?

Secretary (East) : It is possible that there could be something signed because pharmaceuticals is an area of cooperation.

Question : Could you focus on the agreements to be signed during the President's visit?

Secretary (East) : I think I have mentioned there is likely to be an air services agreement with Iceland and a Memorandum of Understanding on Foreign Office Consultations. In Russia I do not think there is any signature. Switzerland also nothing. Maybe one or two in Ukraine but the final touches are being put, as various approvals on both sides are required. So, there are still a few days. There is a possibility, but I do not have a confirmation.

Question : What is the stand of Iceland, Switzerland, Ukraine and Russia

on the issue of India's candidature for permanent seat in UN Security Council? Will the President try to drum up support in India's favour?

Secretary (East) : I think as far as the UN Security Council is concerned, this matter is now up for debate in the UN General Assembly. As you are aware, a few days ago the G-4 have come up with a draft framework resolution. That is now being circulated. We are looking for supporters and co-sponsors. By G-4 I mean Germany, Japan, Brazil and India. I think Iceland has conveyed its support. Switzerland, we are not quite sure. Many countries have not made up their minds as yet. Russian position, you know. This was a big issue during the last visit (of President Putin), media made much about it. So, there is Russian support for India's inclusion in the Security Council. Ukraine has a new Government. They are still looking at the matter. I think the position of different countries is an evolving one and we will get to know as the time goes on because now the focus is on the G-4 Framework Resolution that is likely to come up sometime in June before the UN General Assembly.

Press Secretary to President : This is in addition to what Secretary (East) has just said particularly about science and technological cooperation and studies and particularly in these two countries - Iceland and Switzerland. In Iceland, Rashtrapatiji is quite keen to study and interact with them about their system of earthquake prediction and management because what he has gathered from various studies is that they are doing a good job on that. In fact, when in February President of Iceland had come and met him he briefly mentioned about this to him. And he said that our scientists are doing a good job on this and they would definitely like to interact with him on that. On Switzerland he is quite keen to further study and examine their response to the natural disasters. He will be interacting with some people there on these issues. So, particularly these two points - earthquake prediction and management, and natural disasters, how to respond to a natural disaster - he will be keenly interested to study these two things in these two countries.



AUSTRIA

577. Speech by President Dr. A. P. J. Abdul Kalam at a banquet in honour of the President of Austria Dr. Heinz Fischer.

New Delhi, February 18, 2005.

Your Excellency Dr. Heinz Fischer,
President of the Republic of Austria,
Madam Margit Fischer,
Distinguished Guests,
Ladies and Gentlemen,

It is with great pleasure that I extend a hearty welcome to you, Mr. President and Madam Fischer as well as the members of your delegation on this historic first-ever visit by the President of Austria to India. Your deep personal knowledge and interest in India enhances the strong bonds, which exist between our two nations.

Mr. President, your visit to India coincides with the Golden Jubilee celebrations of the Austrian State Treaty. Having contributed in some measure to that event more than half a century ago, we in India rejoice with our Austrian brethren on this happy occasion and salute your achievements that add to the very impressive historic legacy and civilisation of Austria, which dates back over two millennia.

Our histories may be different and we may be wide apart geographically but there are several common bonds that bind us. From a land which suffered a lot in the Second World War, Austria today has become a prosperous and peaceful country at the heart of the European Union. Similarly, India broke away from the shackles of colonialism and took a gradual but steady path to progress. The foundations of our friendship, as laid by Pandit Jawaharlal Nehru and Chancellor Bruno Kreisky, have been strengthened and sustained through exchanges at various levels.

It was in 1949 that diplomatic relations between India and Austria were established. However, the relations between the people of our two countries have a much longer history. In 1505, Balthasar Springer, a Tyrolean

businessman travelled with the third Portuguese fleet to India by sea and wrote events of that travel called "Die Meerfahrt". Two hundred and fifty years later, an enterprising Austrian merchant Wilhelm Bolt, commandeered a ship to India. He reached the Nicobar Islands in 1778 and named one of the islands as "Theresia" in honour of Empress Maria Theresia. In the mid-19th Century Sanskrit began to be taught in the University of Vienna. Our philosopher poet and Nobel Laureate, Gurudev Rabindranath Tagore delivered a famous lecture entitled "The Religion of the Forest" at this famous University in 1921. Moritz Winternitz, an Austrian Indologist, published a compendium of history of Indian literature over a century ago. Even today, the Vienna School of Indology plays an important role as a bridge between our two countries.

As vibrant, parliamentary democracies, India and Austria today share common values and aspirations. In the international arena, India's policy of non-alignment and Austria's neutrality have provided a further meeting ground. Both countries play important roles in their respective regions. India is seeking to build stronger links with its neighbours and consolidating the South Asian Association for Regional Co-operation (SAARC). Amongst members of the European Union (EU), Austria has been playing an active role in the process of its enlargement. We see Austria, with its vantage point location at the heart of the Continent and its expertise in key areas of technology as an important link in our recently launched relationship with the EU. For India, the European Union is the largest trading partner in the world, the biggest source of direct investment and an important source of technology. We look forward to working closely together in the European context to bring our joint aspirations to fruition.

Austria, like India, has a strong commitment to the United Nations Charter and has played a significant role in the UN and other international organisations. Both our countries see the need to restructure the United Nations and its principal organs to enable them to play a more positive and constructive role in the international world. We have read the recent recommendations of the report of the UN Secretary-General's High Level Panel on Threats, Challenges and Change with interest. We believe that the opportunity for reform of the UN and its institutions available at this juncture for genuine UN reform should not be missed. At the same time, we should safeguard against any short-term solutions, which might end up perpetuating the extant inequities.

In recent years, our bilateral relations have acquired a new dynamism particularly in the economic and commercial sector. Going by present trends, the total bilateral trade between India and Austria last year was around 475 million Euros. We have over 200 business collaborations. However, this is only indicative of the vast potential of economic cooperation that exists between our two countries. We believe that it should be possible to increase this volume of two-way trade to one billion U.S. Dollars over the next three years. Successive governments in India have given greater scope, content and direction to the irreversible economic reforms initiated by India in 1991. The Information Technology, pharmaceuticals and biotechnology sectors have seen quick and substantial growth. India has a huge and growing market with a large middle class, abundant raw materials and a highly trained and skilled manpower especially in the scientific field. Our requirements of foreign investment in power, telecom, roads, ports, housing and other areas are large. The investment needs for the power and telecom sectors alone have been estimated at over 100 billion U.S. Dollars over the next five years, while transportation infrastructure including airports and railways will require another 55 billion U.S. Dollars over the next 10 years. Austria has expertise in many of these areas including the areas of hydropower, steel, tunneling and traction etc. We should both identify the areas of our core competence and set up joint collaborations in such areas, which could result in a win-win situation for both our countries. The area of automobile manufacture is one such area, which can benefit from such cooperation. We can benefit from your advanced technological experiences while Austria in turn can benefit from our highly qualified technical manpower, to produce in India at competitive costs and to sell in the Indian market and abroad.

I am happy that your visit has a strong economic and scientific content. I am happy to note that a large business contingent is accompanying you and I wish them all success in their interaction with their Indian counterparts. I am also delighted to see the presence of eminent academics from the scientific world. There is an evident need to encourage our scientists and technocrats to network and engage in mutually advantageous projects. Cooperation at the University-to- University level and at the lab-to-lab level would further these links.

May I now request the Distinguished Guests to join me in raising a toast to :-

- the health and happiness of His Excellency President Heinz Fischer and Madam Margit Fischer;
- the continued prosperity of the people of Austria; and the abiding friendship and cooperation between India and Austria.



578. Joint statement issued at the end of the State visit of President of Austria Dr. Heinz Fischer.

New Delhi, February 21, 2005.

Dr. Heinz Fischer, the President of Austria paid a State visit to India from 16-21 February 2005 at the invitation of the President of India Dr. A.P.J. Abdul Kalam.

2. President Fischer was accompanied by his wife Madame Margit Fischer, Federal Minister for Economics and Labour Mr. Martin Bartenstein, Chief Minister of Tyrol Mr. Herwig Van Staa and the Chief Minister of Salzburg Mrs. Gabriele Burgstaller and President of Austrian Federal Economic Chamber Mr. Christoph Leitl. The large number of businessmen and a significant science and culture delegation accompanying the President during the State visit underscored the importance the two countries attach to expanding their economic relations.

3. During the visit, Dr. Fischer met the President of India Dr. Abdul Kalam and held talks with the Prime Minister Dr. Manmohan Singh. President Fischer held separate meetings with the Leader of Opposition in the Lok Sabha, the External Affairs Minister and the Defence Minister. President Fischer also had a meeting with Smt. Sonia Gandhi, Chairperson, UPA. President Fischer and accompanying delegation visited Mumbai, Hyderabad, Bangalore and Mysore. In Delhi and Mumbai, President Fischer addressed captains of Indian business and industry, in particular the Confederation of Indian Industry (CII), the Federation of Indian Chambers of Commerce and Industry (FICCI). Federal Minister Bartenstein, the Chief Ministers and the President of the Economic Chamber also had separate discussions.

4. Presidents of Austria and India held extensive talks in an atmosphere of traditional friendship and understanding. Both sides expressed satisfaction at the strengthening and diversification of the bilateral ties and resolved to take them to greater heights. They also held a detailed exchange of views on regional and international issues of mutual interest.
5. Attaching great importance to strengthening their long-term cooperation, the two sides agreed to keep up the momentum of exchanging high level visits in the future. In this context, they welcomed the forthcoming Parliamentary exchanges planned for 2005.
6. Both sides assessed the present content of their bilateral economic interaction as far below its potential. They considered ways to expand and deepen mutually beneficial cooperation in areas of common interest and identified the following sectoral priorities: power, environment, health infrastructure, biotechnology, Information Technology, engineering, transport. It was also noted that the business circles of both countries should intensify contacts for the implementation of infrastructure and industrial projects. They agreed to increase business ties through diverse measures including mutual participation in trade fairs and sector exhibitions and workshops. In this context, both sides emphasized the catalytic role played by the existing bilateral mechanisms such as bilateral Joint Economic Commission and the Joint Business Council¹.
7. In view of the significant scientific and cultural delegation accompanying the Austrian Federal President the potential of closer contacts and greater cooperation was noted. It was considered desirable to encourage greater synergy among the scientific communities, i.e. through the intensification of cooperation between universities and research institutions. To this end, both sides confirmed their interest in intensifying bilateral cooperation by concluding an Agreement on Cooperation in the Field of Science and Technology.
8. Recognising the steady growth of two-way tourism the significance of direct and expanding air-links between the two countries was emphasized.

1. On February 15, the Spokesman of the MEA Navtej Sarna had told the journalists that "the bilateral trade between India and Austria is estimated to cross Euros 475 million (\$ 550 million) in 2004. There are over 200 business collaborations (including over 100 technical collaborations) between the two countries. The potential of economic cooperation is vast and opportunities exist in several sectors, including services and manufacturing."

9. During the visit, following bilateral documents were signed:
 - i) Agreement on Infrastructure Cooperation in Health Sector.
 - ii) Memorandum of Understanding on Development of Collaboration between the Post Graduate Institute of Medical Education and Research, Chandigarh and the Medical University Innsbruck.
10. Both sides strongly condemned terrorism in all its forms and manifestations. Terrorism undermines the very foundation of freedom and democracy and endangers the peaceful existence of tolerant, open and democratic societies and the enjoyment of human rights. Both sides reaffirmed that no cause can justify terrorism. Consequently, there cannot be any compromise in the global fight against terrorism in which the United Nation has to play a key role. Taking into consideration the recommendations of the UN High-level Panel on Threats, Challenges and Change, the UN bodies involved in counterterrorism, in particular the CTC and UNODC should be strengthened for the optimum fulfillment of their tasks. Reiterating their commitment to continue their fight against terrorism, both sides agreed that combating terrorism has to be a comprehensive and sustained effort.
11. Both sides affirmed that the United Nations had a central role to play in dealing with present-day challenges. They took note of the report of the High-level Panel on Threats Challenges and Change appointed by the UN Secretary General. They felt that it was imperative to reform the UN structure to bring the same in conformity with the current global realities, to enhance its legitimacy and effectiveness. In this framework both countries agreed to strengthen bilateral cooperation in global affairs and to promote their dialogue and consultations on UN related issues, including the reform of the United Nations. Taking into consideration the reputation India has achieved within the international community and the growing political and economic role India plays in the international fora, Austria is convinced that India should play a key role in the framework of the United Nations. India and Austria also shared the understanding that it is crucial to make the UN Security Council more representative and effective including through expanding its membership. They agreed to closely work together in this regard.
12. Both countries regard the State visit of President Fischer to India,

the first ever by an Austrian President, an important landmark in the bilateral relationship. The visit underscored the mutual desire to sustain the momentum of high level contacts and to accelerate and expand our bilateral ties in various spheres.

13. The President of Austria Dr. Heinz Fischer extended an invitation to the President of India Dr. A. P. J. Abdul Kalam to pay a State visit to Austria. The invitation was accepted with pleasure.



CZECH REPUBLIC

579. Media briefing by Official Spokesperson on the State Visit of President Vaclav Klaus of Czech Republic.

New Delhi, November 7, 2005.

- President Klaus of the Czech Republic had delegation-level talks with PM and bilateral discussions with EAM. During the discussions, PM and EAM touched on various aspects of the extensive political, economic, cultural and defence cooperation between India and the Czech Republic and the commonalities of democratic pluralism and rule of law shared by both countries. The Czech President responded that expansion of cooperation with India was a priority of Czech policy, especially after its accession to the European Union.
- In the energy and infrastructure sectors, both sides recognized the enormous potential for Czech investments in India. Skoda and Tatra are already visible investments in the automobile and truck sectors in India, while Infosys has set up a successful BPO in the Czech Republic. The Czech Republic is already implementing power projects in India and has developed environmentally friendly technologies which are of relevance to us. Information technology and tourism were additional areas of special focus identified by both sides.
- Both sides discussed developments in international affairs including

EU expansion and integration, the situation in West Asia, the international negotiations on the Doha Round, global environmental issues, and UN Reform. In this context, India's appreciation for the Czech Republic's co-sponsorship of the G-4 Resolution was conveyed¹.



580. Speech of President Dr. A. P. J. Abdul Kalam at a banquet in honour of the President of the Czech Republic Vaclav Klaus.

New Delhi, November 7, 2005.

Your Excellency Mr. Vaclav Klaus,
President of the Czech Republic,
Madam Livia Klausova,
Excellencies,
Ladies and Gentlemen,

It gives me great pleasure to welcome Your Excellency and your

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1. Giving a background of the visit on November 3, the Spokesperson Navtej Sarna told the media: "India-Czech relations have been excellent ever since the creation of Czechoslovakia after the First World War in 1918. Trade and cultural exchanges with Bohemia (now a part of the Czech Republic) have an even earlier tradition, reaching back into medieval history. Our political relations have remained warm and our economic & defence cooperation has continued to strengthen since the emergence, in 1993, of the Czech Republic [with the separation of Czechoslovakia into the Czech Republic and the Slovak Republic]. In recent years, our bilateral relations have been further strengthened by convergences in our worldviews and rapidly increasing economic cooperation. Czech Republic became a member of NATO in 1999 and of the European Union in May 2004. It has a declared commitment to multilateralism in world affairs; promotes democracy and human rights worldwide [it is a part of the Global Democracy Initiative & has contributed to the UN Democracy Fund]; and has been an active advocate of UN reform. Czech Republic was one of the early co-sponsors of the G-4 [India, Brazil, Germany, Japan] resolution at the UN for Security Council expansion. Our bilateral trade has been growing steeply in recent years. As per latest available statistics, they could reach close to US \$ 500 million in this calendar year. The trade is roughly balanced. Investment flows in both directions are also picking up. Skoda Auto & Tatra Udyog are examples of recent successful Czech investments in India; an Infosys subsidiary, Progeon, has set up a BPO centre in Czech Republic. Recent high-level bilateral contacts include the visits of Czech President Vaclav Havel to India in 1994, of President Shanker Dayal Sharma to Czech Republic in 1996, and of Czech PM Milos Zeman to India in 2001."

distinguished delegation. Your visit is an important milestone in the effort of our two countries to build a dynamic partnership in the challenging environment of a globalising world.

Modern day information and communication technologies have dramatically shrunk global distances today. But even in antiquity, the vast distance between our two countries did not hinder our flourishing cultural and commercial exchanges. The Bohemian Kingdom of the medieval ages traded with India. Charles University was a vibrant centre of Sanskrit scholarship in the Austro ? Hungarian Empire. In the early 20th century, Rabindranath Tagore formed an affinity with Czechoslovakia, whose resonance we see even today in the rich Czech scholarship in Bengali studies, exemplified by the works of Dr. Dusan Zbavitel.

Your Excellency, the Honorary Doctorate that you will receive from Visva-Bharati University - founded by Rabindranath Tagore - is as much an acknowledgement of your valuable contributions to economic theory and practice, as a recognition of these strong historical connections between our two countries. To further strengthen this bond, India will be in a position to assist in providing digital library facility in respect of books relating to India's culture and languages.

There was another poignant interaction of our national aspirations in an earlier era. In the summer of 1938, Pandit Jawaharlal Nehru and his young daughter, Indira visited Prague. He witnessed at first hand the dramatic events leading to the Munich Pact. He was deeply moved by the terrible injustice being heaped on the Czechoslovak people and not only raised his voice about this in other European capitals, but also inspired a strong resolution of the Indian National Congress, sending ?its profound sympathy to the brave people of Czechoslovakia in their struggle to preserve their freedom?.

Your Excellency, even while we celebrate these historical bonds between our cultures, we recognise the new opportunities in today's world for multifaceted bilateral cooperation. The paths that our two nations have traversed in history have led us to the unshakable conviction that democracy, pluralism, rule of law and human rights should be the defining characteristics of our societies. This gives us a convergence of views, which enhances our cooperation in tackling the major international issues facing the world today.

Our economic complementarities generate new possibilities. We have seen the remarkable economic transformation, which followed the political achievement of your Velvet Revolution. We are, of course, aware of Your Excellency's seminal role in this Czech economic miracle. Over the last decade and a half, we in India have also pursued a comprehensive economic reform programme. I believe that in your travel through India on this visit, you and your delegation will observe significant advances in our economic, scientific and technological achievements since your last visit here in 1999.

These economic changes present exciting challenges to business and industry in our two countries. We have a strong base to build on. Bata and Jawa have been household names in India for decades. The name Skoda is stamped on a wide range of machinery and equipment in our machine tools, metallurgical, power and heavy industrial sectors. Your companies have been building power plants, laying gas pipelines and constructing highways in India. Skoda Auto and Tatra have found welcoming homes and profitable conditions in our country.

Our Indian entrepreneurs are also rediscovering the attractions of the Czech Republic as a partner for trade and a destination for investment. We hope that both sides will discover newer areas for trade and investment in each other's countries. The two countries should set before themselves a goal of bilateral trade cooperation of US \$ 1 billion within a period of three years.

Information Technology, biotechnology and space research are areas in which we can add value to our efforts through mutual cooperation. We can do more to promote tourism exchanges, which happily enhance both commercial benefit and cultural understanding.

I have no doubt that this visit of Your Excellency and your delegation, your meetings and interactions with a broad cross-section of Indian business and industry and the experiences of the business delegation accompanying you will impart new impetus to these efforts.

As we inject greater dynamism to our economic cooperation, we also need to work more closely together on our common objectives of promoting peace and security in the world. Our shared perspectives lead us to seek multilateral approaches to problems of international terrorism,

extremism and bigotry, which threaten the security and freedoms of peace loving people around the world. We owe it to future generations to ensure that our international order is based on justice and equity and truly represents the aspirations of all peoples and nations. At the heart of this international order should be a strengthened and comprehensively reformed United Nations, which can more effectively address the challenges and realities of today's world.

We look forward to working together with the Czech Republic towards these shared goals in the interests of a peaceful and prosperous world.

Distinguished guests, may I now request you to join me in a toast to the: -

- health of His Excellency President Klaus and Madam Livia Klausova,
- further strengthening of the multifaceted cooperation between India and the Czech Republic; and
- ever-growing friendship and goodwill between the peoples of our two countries.



FRANCE

581. Response of Official Spokesperson on the French Ambassador's remarks on Air India's decision to buy Boeing aircraft.

New Delhi, May 6, 2005.

In response to a question the Official Spokesperson said:

The French Ambassador called on Foreign Secretary today.¹ Foreign Secretary drew his attention to the press reports and told him that if these reports were correct, the French Ambassador's remarks were not in keeping with diplomatic propriety. The French Ambassador said that he had merely expressed disappointment and that his remarks had not been correctly quoted.



582. Special Media briefing by Foreign Secretary Shyam Saran on the visit of Prime Minister Dr. Manmohan Singh to France and United Nations General Assembly.

New Delhi, September 9, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good evening everybody. Foreign Secretary is here to address the press on Prime Minister's visit beginning Sunday to France and to New York for the UNGA.

Foreign Secretary (Shri Shyam Saran) : Let me start by apologizing to all of you for keeping you waiting. I had an important meeting to attend which went on longer than I had expected. So, please forgive me.

1. The meeting took place in the background of the remarks made by the French Ambassador Dominique Girard on May 7 to the effect that "some factors other than commercial" had influenced the Air India – Boeing deal. He was quoted to have said: "We are surprised and disappointed. Airbus definitely has an advantage over Boeing." He was referring to the decision of the Indian flag carrier Air India Board's decision to buy 50 Boeing planes for its fleet in preference to airbus.

As you know, Prime Minister will be paying an official visit to France from September 11 to 13. This will be on his way to New York. He will be accompanied by the External Affairs Minister and also a high-level official delegation.

During the visit, Prime Minister will have a chance to meet with President Jacques Chirac and he will also have discussions with Prime Minister Dominique de Villepin. Also, the Foreign Minister of France Philippe Douste-Blazy will call on the Prime Minister.

This visit is very important because, as you know, France has been one of our very close partners both politically as well as in terms of economic as well as security relations. This visit is taking place in fact by a Prime Minister of India after a gap of nearly seven years. So, it is an important visit.

We have been having various interactions with French leaders in the past few years. So, the dialogue at the high-level has been maintained. Prime Minister himself was able to meet President Jacques Chirac at the Gleneagles Summit, the G-8 Summit. They had a very good meeting. It was at that time that it was decided that Prime Minister would pay an early visit to France, and we would have the privilege of receiving the President of France in India in the early part of next year.

As you are aware, India and France enjoy a strategic partnership. We have both been cooperating with each other in international fora on a range of issues of mutual interest. France, which is one of the five permanent members of the Security Council, has co-sponsored the G-4 Framework Resolution which *inter alia* also has the proposal for India's candidature for permanent membership of the UN Security Council, rather the Framework Resolution will open the door for our candidature.

France is a very important in the context of India's interaction with the G-8 and the European Union. France has been an extremely important and significant partner in India's search for high-technologies, cutting-edge technologies. France is one of the countries, which is in the front rank of producing state-of-the-art devices, defence items. In terms of access to technology, France amongst the developed countries has been far more forthcoming, far more amenable to India's interest than perhaps many others have been. This is particularly true in areas like electronics, avionics, nuclear

energy, space, telecom, there are a whole range of areas where we have a very strong technological partnership with France.

On the nuclear issue, India-French cooperation commenced as early as in the 60s and has continued to date. France has always taken a forward position in terms of putting forward India's case on nuclear issues.

In respect of trade, France is a very important trade and investment partner of India. Indo-French bilateral trade was Euro 2.9 billion in 2004. Our exports are about Euro 1.6 billion and our imports about Euro 1.36 billion. These have grown by about 25 per cent last year. French FDI in India is about 760 million US dollars from 1991 to date. The current total amount approved is about 1.74 billion. There is a sense that given our very special relationship there is much more than the two countries can improve together on the economic and trade front, as also in terms of our high-technology partnership. This would be one of the major things during the visit of Prime Minister to France.

In addition to the discussions, which I mentioned to you with the French leadership, there is also going to be a meeting that Prime Minister will be having with leading French CEOs. This will be as part and parcel of our desire to strengthen the economic and trade relationship. We also will have an opportunity for an exchange of ideas and views with a number of well-known French scholars and Indologists.

Prime Minister is very much looking forward to this visit to France, a very important partner for India both in Europe as well as internationally and a country which has always had a very special place for India both in terms of our cultural affinities and in terms of our political relationship and its support for, and its sympathy for India's aspirations to emerge as a major power with high-technology. As I said, a visit that Prime Minister is very much looking forward to.

Maybe I will stop here and take some questions on the visit to France and then perhaps I will tell you about his visit to the United Nations.

Question : Will the Prime Minister be taking up the issue of turbans in France? Will he be meeting the Indian Sikhs in France?

Foreign Secretary : This visit to France is going to be for a very short period and much of the time is going to be really taken up by his various

engagements with the French leadership as well as with the business community. As of now, we have not been able to slot any kind of interaction with the Indian community. We are looking at whether or not there is a possibility for such a meeting. But it may be difficult to slot given the very difficult and tight schedule that we have at the moment.

As far as the issue that you have raised, this has been taken up very strongly by the Indian side with the French authorities. Our understanding is that some via media has been already found. Most of the Sikh community in France now has not been agitating on this issue. There are a few families, which had been affected. I think even for those families, some via media has been worked out. Our understanding is that the French Government has in fact responded to the demarches that we have made to them and tried to find a genuine solution to these problems as is possible. You must understand that what the French Government has done is not specific to the Sikh community. It is a measure that they have adopted which is applicable to all citizens of France. But, despite that in the spirit of our very close relationship they have tried to accommodate as much as possible the concerns that we have expressed on behalf of the Sikh community.

Question : Is there any defence deal to be announced during Prime Minister's visit, probably on Scorpene?

Foreign Secretary : I do not wish to preempt what may be announced during the visit. As you know, defence cooperation is one of the very important components of Indo-French relationship. This is a very long-standing relationship. There are a number of items on which we have been having negotiations with the French side. I would limit myself to saying that the outlook with regard to such cooperation is very positive.

Question : The Prime Minister is going after a gap of seven years. Is there any business delegation, which is accompanying him? If yes, are there any concrete MoUs lined up on trade and technology front?

Foreign Secretary: My understanding is that the meeting with the CEOs that I mentioned is with the French CEOs. Since this is a rather short visit, we are not really looking at a large number of events that the Prime Minister would be able to accommodate during the very short time that he is going to be there. The purpose of the visit, number one, is to renew his association with the French leadership, particularly President Chirac. We also

understand that when President Chirac will be coming to India, there will be an opportunity for precisely the kind of interaction that you are talking about where there could be interaction between the French business community as well as the Indian business community. I might also like to add that there has already been a regular contact between our business leaders. This is something, which is of a continuing nature. So, essentially what the Prime Minister will be doing is to give a sense from the highest level of Indian Government what is the nature of the reforms that are being undertaken, the kind of new opportunities that are opening up for foreign investors in India, and that this is about time to come to India and invest money.

Question : Is India satisfied by the extent of French support on NSG?

Foreign Secretary : As I mentioned, France is one of the countries, which has been extremely supportive of India on nuclear issues. Our sense is that in terms of liberalizing and also in terms of changing the environment for nuclear cooperation with India, France is ready to play its part. This is the assurance that we have received from France.

Question : Are you satisfied with that?

Foreign Secretary : Yes, we are very appreciative of the French support on these issues.

Now, let me turn to Prime Minister's visit to New York. This will be for the High-Level Plenary Meeting of the Sixtieth Session of the United Nations General Assembly. As you know, this High-Level Plenary Meeting is essentially devoted to a review of the achievements of what was billed as the Millennium Development Goals, which were adopted five years ago by the United Nations General Assembly. These were basically focused on certain economic indicators, certain social indicators, improvement of the quality of life, the Human Development Index. A number of decisions were taken both in terms of what the developing countries aspired to achieve during this period. This is not only up to 2005 but it is something which will go beyond in the subsequent years, but also the commitments on the part of the developed countries with regard to, for example, financial flows, how to treat the issue of indebtedness amongst highly indebted countries, how to deal with the least developed countries, their developmental requirements.

There was a whole set of developmental goals which were subsumed

under the Millennium Development Goals. Essentially, this particular meeting will be focusing attention on how far we have come in terms of achieving those goals and what is it that we need to do, where are the new areas of emphasis in terms of achieving these goals in the subsequent years. So, it is an important meeting, summit meeting, where we expect that a very large number of Heads of State and Government will be present for this occasion. Prime Minister himself will be making a presentation on behalf of India on the 14th of September in the General Assembly.

In addition to the General Assembly and Special Plenary Session on the High-Level Panel, there will also be a number of other events, which will be important, where Prime Minister will be involved. One is, we had supported a US initiative in the General Assembly last year for a Democracy Initiative and the setting up of a UN Democracy Fund. The launching of this fund is going to take place on the sidelines of this High-Level Panel Plenary. This launch will be done in the presence of President Bush of the United States. The initiative, as I mentioned to you, had come originally from the United States. Our Prime Minister will be there as one of the chief co-hosts, as well as the UN Secretary-General. So, this is going to be one of the important events.

Then there will be a meeting of the Heads of State and Government of the IBSA, which is India, Brazil, and South Africa. The Heads of State and Government would be present there and it has been decided that they would have a summit meeting amongst them on the sidelines of the General Assembly, as also there will be a NAM meeting which will be hosted by the current Chairman Malaysia which the Prime Minister would also be attending.

In addition to these important events, there will be some important bilateral meetings. We are looking at the possibility of a bilateral meeting between Prime Minister and President Bush himself. I think we should be able to schedule that. In addition to that there will be meetings with the Chinese President Hu Jintao, as also with President Putin of Russia, and there is also going to be a meeting with the President of South Africa Mbeki. These are some of the bilateral meetings. In addition, Prime Minister will be having a meeting with the Indian community in New York. We are also scheduling an interaction with the American CEOs in New York. This will be Prime Minister's programme.

As you know, one of the important meetings will be a meeting between President Musharraf of Pakistan and the Prime Minister. Prime Minister has invited President Musharraf for dinner which has been very graciously accepted. This will be also an occasion for him to ...

Question : What is the date?

Foreign Secretary : It is on the 14th of September.

These are the events and a very good programme for the Prime Minister. A number of important issues will be covered both in the multilateral as well as the bilateral meetings. Prime Minister is planning to return on the 17th of September. That is as far as the New York bit is concerned.

Question : Fourteenth is also the bilateral meeting with President Bush?

Foreign Secretary: We do not know yet. We are looking at a suitable slot.

Before I go any further, I also wanted to give you an idea of also a very important set of meetings which the External Affairs Minister would be having while in New York. He will be accompanying Prime Minister for the events that I mentioned to you. In addition to that, there is a Non-Aligned Foreign Ministers' meeting, which the External Affairs Minister will be attending. There is also a meeting of the Commonwealth Foreign Ministers, which will take place on the sidelines of the UNGA. He himself will be speaking at the General Assembly Session, the Plenary Session of the General Assembly. His speech will be on the 19th of September.

There will also be a meeting of the Gulf Cooperation Council Foreign Ministers with the Indian Foreign Minister, which is held traditionally every year when we have the UN General Assembly meeting. So, that is also being slotted in. One very important meeting is going to be with the TEAM-9 Foreign Ministers. TEAM-9 is India plus eight other West African countries with whom we are cooperating on a number of economic and technical cooperation projects. As part and parcel of our reaching out to Africa this has been an important initiative. This meeting will be significant because it enables us to take forward the process of engaging Africa in a whole series of linkages with India, engagement with India both political as well as economic and commercial. So, this is important.

There is also the Asian Cooperation Dialogue. I think it is a Thai initiative but it has been taking place regularly every year. The meeting of the Foreign Ministers of the countries participating in ACD would also be taking place in New York.

There will also be a lunch, which is being hosted in honour of the External Affairs Minister by the Council for Foreign Relations in New York. You might know, the Head of this Council is Richard Haas, quite a well-known figure.

The Brown University in the US has introduced a special India programme in its international relations curriculum. The inaugural lecture for launching this India programme is going to be done by the External Affairs Minister during his stay in the US.

He will be having a number of bilateral meetings with several of the Foreign Ministers from different countries. But one important meeting that I wanted to draw your attention to is the trilateral meeting among China, Russia and India. This is going to be also a significant meeting in New York. Some of the discussions which took place in Vladivostok on trilateral cooperation, on the economic side, on energy, and on multilateralism, this is something which we would be taking forward during this trilateral meeting.

I would like to also mention in this context that India has offered to host the next standalone meeting of the Foreign Ministers of India, Russia and China in India in 2006.

Question : General Musharraf in an interview just now has said that he has very good equation with Prime Minister and that there is optimism on both sides and he hopes that they both can sort out the problems in their tenure. Keeping in mind Kashmir, would you like to say anything?

Foreign Secretary: I do not think it is appropriate for me to prejudge what is going to happen when the two principals meet. I think some of the sentiments that you just mentioned as coming from President Musharraf of taking the peace process forward, the very good personal equation that he has with Prime Minister Dr. Manmohan Singh, I think Prime Minister would reciprocate those sentiments.

Question : Is it a fact that weeks after the July 19 meeting between Prime

Minister and President Bush the US has expressed concerns on some issues with India and whether these irritants will be discussed when Prime Minister meets President Bush? In the wake of consistent classified briefings by the US on Patriot missiles, do you see it being connected with NSG, etc?

Foreign Secretary : I am not really quite clear about the irritants that you are talking about. India and the US have a very regular and I would say a constant dialogue on a number of regional issues as well as on multilateral issues. It is no secret that sometimes our perspectives are not exactly the same. That is the whole purpose of this dialogue that we try to understand each other's viewpoints and we try to appreciate each other's concerns. But to project them as irritants in the relationship, I would certainly not give it that colour.

As far as this briefing that you have mentioned, this is again part and parcel of a continuing dialogue that has been taking place on the subject for quite some time. Of course, it was as part and parcel of the NSSP. This is a technology that we are interested in. This is a technology, which has many dimensions. We are not saying that we are adopting this or that system. But I think in India, just as we are interested in a whole range of new technologies, we are also interested in this technology. So, we welcome the opportunity of our technologists, our research people, our security establishment being exposed to what is after all a new technology.

Question : What is the status of G-4 Framework Resolution?

Foreign Secretary : The status is that a Committee of ten Heads of State and Government was set up as a result of the summit, which was held in Addis. The purpose and the mandate of this particular Committee of Ten was to take the proposal of Africa on UN Security Council reform to other groups and countries, and to then report back what is the response of other countries. What is going to happen I think is that there will be a meeting of the African Heads of State and Government on the sidelines of the forthcoming of UN General Assembly Session. I think at that an assessment will be made as to how much support there is, or there is likely to be, for the draft resolution which Africa has put forward. As you know, the African draft resolution is very close to the G-4 draft resolution but there are differences in one or two points.

We had, in discussion with the representatives of the African Union, worked out some language during our meeting that was held in London. I think we have to wait and see. After getting the feedback from the Committee of the ten Heads of State and Government and after also talking to and being exposed to the opinions expressed by a very large number of African countries themselves as well as other groups, it is our hope that the best way forward which Africa would see would be actually the G-4 draft resolution which could be amended in the manner that was agreed upon in that. We believe that that is the best way forward. However, since most African countries recognize that it is better to go forward with that kind of language, compromise language, because frankly this is an opportunity which America should not miss letting African countries feel that way that this is an opportunity which should be grasped, which is what we feel as well. So, we remain hopeful that when we go to New York and we have a chance to interact with our African friends, one has to be able to find a way to take this initiative forward.

Question (Amit Baruah, *The Hindu*) There is an Associated Press report today quoting Nicholas Burns in House Foreign Relations Committee which says that Mr. Burns has sought clarification from you on certain remarks on Iran. There is also a Democratic member who has said that India has to stand either with Ayatollahs of Tehran or the United States. There are also a number of other comments on what India should do or not do. Is it normal for a colleague of yours from another country to seek clarifications about remarks, which you may or may not have made? Also, what is India's position on our relationship with Iran? Is it dictated by the US, or is it going to be a decision made here?

Question (Indrani Bagchi, *Times of India*) : I have a supplementary. Could you just clarify what is our position on the nuclear programme of Iran?

Question (Kamel, Reuters): I also have a supplementary. Mr. Burns said that the last word from India has not been said in terms of EU-3 and the US taking Iran to the Security Council. We have on September 19 IAEA meeting. So what is Indian position and is it not the last word?

Foreign Secretary : As far as India's position is concerned, I think there has been no ambiguity in India's position. We have stated for the record that India is against any proliferation of weapons of mass destruction and

no country is an exception to this position that we have taken. We have also stated very clearly that Iran, as other countries, should adhere to and should live up to the commitments and obligations that they have undertaken. Any questions that have arisen are best resolved and should be resolved through discussion, not through confrontation. So, our preference is for these matters to be resolved through discussion; not through taking a path of confrontation but through peaceful dialogue. This is a stand that we have taken all along.

With regard to what will happen on September 19, I think let us wait and see because we are in the process, the members of the Governing Board are in the process of discussing this matter. There is consultation going on. Let us see what comes. As far as India's stand is concerned, I do not think we have left any ambiguity as far as our stand is concerned on this issue.

Question (Amit Baruah, *The Hindu*): About this clarification that Mr. Burns is seeking.

Foreign Secretary: I have not had any conversation with Mr. Burns so far. I really do not... I have not made any statements about Iran. So...

Question (Amit Baruah, *The Hindu*): The report here says, 'India's relations with Iran are not predicated on positions and views attributed to some Governments.'

Foreign Secretary: There have been a number of statements, which have been attributed to our External Affairs Minister; there have been various speculations about the position taken by India. I do not think people should go by media reports. The particular statement that you are mentioning, I do not think that statement was ever made.

Question : ...G-4 Resolution could be taken forward to the Africans. Will Prime Minister be meeting any major Heads of State or Government from Africa during his visit? Secondly, Mrs. Sonia Gandhi cancelled her visit to the US. Why?

Foreign Secretary : On the second, maybe I have no way of answering that question. As far as Prime Minister's engagements in New York are concerned, I have already mentioned to you that he will be having a meeting with President Mbeki of South Africa. We are still in the process of working

out his schedule. But there will be a number of meetings that the Foreign Minister will be having at his level with a number of African counterparts. So, there will be a chance to revisit this issue.

Question : Will we soft-pedal on the cross-border terrorism issue and is Dawood not on the agenda in the talks with the US?

Foreign Secretary : I do not think we are soft-pedaling this or that issue. When the Prime Minister and the President meet, frankly it is for them to determine what their agenda is going to be. I think the issues in India-Pakistan relations are really well known. I have no doubt that the two leaders will focus attention on whatever are the issues of concern to each other.

Question : Is Finance Minister part of the delegation?

Foreign Secretary: I do not think so. I am not aware of this.



583. Prime Minister Dr. Manmohan Singh's Statement prior to his departure for France and New York.

New Delhi, September 11, 2005.

"At the invitation of President Jacques Chirac, I will be paying an official visit to France. During my meetings with President Chirac, I will convey the commitment of our Government to further strengthen the privileged relations of Strategic Partnership that exist between India and France. It is our intention to further expand cooperation in the fields of trade and investment, defence, space, civilian nuclear energy, advanced science & technology, as well as cultural and civilizational ties. While in Paris, I will be meeting CEOs of major French Companies to convey to them the expanding opportunities for trade and investment in India. I will also be meeting academics from French institutions, which have a long tradition of scholarly work on India.

I will be visiting New York to participate in the high-level segment of events being organized by the United Nations to mark the 60th Anniversary of its founding. Aspects relating to UN Reform will be on the agenda, including

expansion of the UN Security Council, regarding which India will continue to present its case. This meeting will also review the implementation of the Millennium Development Goals that were adopted a decade ago. We view international cooperation and assistance as an essential element in enabling developing countries to meet the objectives spelt out in the Millennium Development Goals.

I also look forward to a number of bilateral meetings with world leaders present in New York. I will be meeting with President Bush, President Putin, President Hu Jintao, President Musharraf and others during my stay. Malaysia will be hosting a meeting of prominent NAM countries to which India has been invited. A Summit meeting of the India-Brazil-South Africa Forum (IBSA) has also been scheduled.

My visit to New York gives me an opportunity to meet the CEOs of important US companies interested in India. I also look forward to the opportunity to interact with the vital Indian American Community”.



584. Remarks by Prime Minister Dr. Manmohan Singh and the French President Jacques Chirac on the occasion of their meeting.

Paris, September 12, 2005.

Prime Minister Dr. Manmohan Singh: We have a privileged and strategic relationship with France. We hold His Excellency President Jacques Chirac in the highest esteem as a world statesman. It is for me a great honour, great privilege to be in this great country to reaffirm, to renew our joint commitment to strengthen our multi-faceted relationship in every possible way. France is a very important and proud member of the European Union and we have established a strategic partnership with EU and in fulfilment of the commitment under our strategic partnership, France can play a very important role.

For me, therefore, it is a great opportunity to have an exchange of views with His Excellency the President and there are many ideas, which are on my mind to strengthen our economic cooperation with France. Our

trades, our investment flows, are moving in the right directions. But they are far below their potential. So I am here to convince the French businessmen community that India is going to be a competitive destination for foreign investment and I seek the support of His Excellency the President and the French Government to ensure that our business communities interact with each other more often, more productively, more fruitfully, than was the case in the past¹.

We both have a joint concern to ensure that the growing interdependence of nations is managed in a manner, which gives satisfaction to all countries of the world. We recognise globalisation is a reality which has tremendous opportunities and we all have to work a lot to ensure that the global system, political order, the economic order is managed in a just and equitable manner for the benefit of all countries of the world. India and France have been strategic partners in many ways. We have had rewarding defence cooperation, we are going to build on that and therefore there are a lot of important issues to discuss with His Excellency the President.

I thank the government and people of France, for giving me this opportunity to meet the leaders of the French Government. President Chirac, thank you. Mr. President, I know the pressures on your time with numerous other pre-occupations. That you have chosen to receive me at such short notice is a privilege and your generosity which I will never be able to forget.

President Jacques Chirac: Today, after our meeting in Gleneagles, I have the privilege of welcoming the Prime Minister of India. You know that, for

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1. Separately speaking to a conference of French industrialists and CEOs moderated by Louis Schweitzer, Chairman of Renault Automobiles and President of Medef International and organized by the Indian Embassy, Prime Minister invited French industrialists to "take a fresh look" at India. The liberalization process started by the Government of India in 1991 had continued and was "irreversible". Successive governments had not gone back on the process and there was a broad consensus in India that that was the way to follow. Describing India as a land of opportunity, Dr. Singh said India's growth rate this year was seven percent and expected to reach between eight to ten percent in the coming years. "India is already an exciting place to do business and will be more so in the next decade," he said. He said that although there were no going back on globalization, India was not ignoring the poor. India's human wealth could be successfully married to Western technology. He identified electricity, infrastructure, roads, airports, seaports, and telecommunications as being most urgently in need of investment. Aware of the complaints against India, Dr. Singh said he did not blame those who made them. India was a large country with a federal structure that sometimes slowed the pace of implementation of new policies. He was not making excuses, only seeking an understanding of some of the constraints, Dr. Singh suggested. He assured that he would set up a single mechanism to process investment proposal from France.

France, India is a major partner of the world today. And this is the reason why France has always supported India's positions, in particular her legitimate aspiration for a seat at the UN Security Council as a permanent member. France supports this aspiration and hopes that it will be fulfilled. Our relations, our interactions, of course deal with the major international issues, the preparation of the UN meeting which is to take place in a few days, the problems related to terrorism and development, and all the crises which exist, alas, in the world. We will also have the occasion to underline our determination to considerably develop our exchanges in all the political sectors within a truly consultative and cooperative framework. When one speaks of politics, one equally speaks of strategic affairs and defence and we also have great ambitions in the economic field and I am happy that the Prime Minister is confirming today the decision to buy six Scorpène submarines and 43 Airbus aircraft which is of course a token of confidence, friendship and cooperation we are of course sensible to.

One last point, and not the least significant one, is the importance that France is paying to Indian culture, the respect to Indian culture and I'm very happy that we are in a position to organize in early 2007, at the Grand Palais which has been renovated, a great exhibition of the Gupta Art, one of the highlights of artistic expression in the world which we have from India.

These are a few observations I wanted to make at the beginning of our meeting.

Thank you, Mr. Prime Minister. There is also, and this is an important point to evoke today, our cooperation in the field of energy, and particularly in the field of nuclear energy, within the framework of the rules governing non-proliferation. We have some progress to make in this domain and the will and determination to progress together with respect to international rules. I thank you.



585. Joint statement issued on the visit of Prime Minister Dr. Manmohan Singh to Paris.

Paris, September 12, 2005.

Prime Minister Manmohan Singh and President Jacques Chirac today reaffirm the strategic partnership between India and France and commit themselves to further strengthening and deepening the relationship.

The visit of the Prime Minister, at the invitation of the President of the Republic, illustrates the importance attached by the two countries to the strategic partnership, initiated in January 1998. The reasons which called for close relations between the two countries at that time are even stronger today, in the context of a reconfiguration of the global balance of power, the emergence of India as a great power being one of its most significant features.

On the eve of the U.N. High Level summit, the two leaders signalled their intention to:

- take the already vibrant bilateral relationship between India and France to a new and higher level;
- strengthen co-operation in dealing with global challenges and work together on issues such as the fight against terrorism, prevention of proliferation of weapons of mass destruction, promoting development which is economically, socially and environmentally sustainable, the effective management of globalisation, and the fight against pandemics;
- reaffirm support for the reform of the United Nation system and an organisation which is stronger, more representative, and more capable of responding in the best possible manner to today's challenges in the areas of international peace, security and development.

The Prime Minister of India thanked France for its constant and firm support for India's candidature for permanent membership of the Security Council. He expressed interest in France's proposals in the area of development financing and for the reform of international governance of the environment.

Keeping global energy requirements in mind and the necessity to

combat global warming, India and France recognize the need to strengthen energy security and promote the development of stable, sustainable, efficient and affordable energy sources in order to meet their growing energy requirements. Both sides also recognize that nuclear energy provides a safe, environmental friendly and sustainable source of energy and the need to further develop international cooperation in promoting the use of nuclear energy for peaceful purposes¹.

France acknowledges the need for full international civilian nuclear cooperation with India and will work towards this objective by working with other countries and the NSG and by deepening bilateral cooperation. France appreciated India's strong commitment to preventing WMD proliferation and the ongoing steps it is taking in this regard. In this context, both countries will also work towards conclusion of a bilateral nuclear cooperation agreement.

In the field of military cooperation, the joint exercises carried out by our armed forces testify to the high degree of confidence built over the years between India and France. In order to further strengthen the defence relationship, the two countries will hold discussions with a view to finalizing a framework agreement on defence cooperation at an early date. Our strategic partnership in the field of defence industries has been newly illustrated by the confirmation given by the Government of India of its decision to purchase Scorpène submarines.

India and France also reaffirm their willingness to further pursue their cooperation in the space sector. They expressed satisfaction at the recent conclusion of a Framework agreement between the European Union and India on India's participation in the Galileo project, finalized during the India – EU Summit at New Delhi on 7 September.

1. The Foreign Secretary Shyam Saran told the media in Paris that the joint statement on civilian nuclear cooperation ought to be read along with the July 18, 2005 India – USA agreement as also the statement after the British Prime Minister's recent visit to India. All these developments pointed towards a "regime change" in nuclear technology trade and transfer. France, according to the Foreign Secretary, had assured India that it will work with other Nuclear Suppliers Group (NSG) members to ensure that India's requirements of nuclear fuel and technology are met. According to media reports India refused to mention any date when the NSG could be breached but media said Indian officials privately sound confident that with Washington on board, New Delhi could hope to see an end to this restrictive regime before long. France apparently agreed with Indian position that New Delhi needed to develop its civilian nuclear programme "because nuclear energy provides a safe, environmental friendly and sustainable source of energy."

India and France are pleased with the robust growth in their economic relations. As India emerges as a global economic power, both countries are determined to realize the potential that exists for further development of economic and trade ties and express their intention to double bilateral trade within 5 years. They will also work toward forging business partnerships in the following priority sectors: infrastructure, information technology, pharmaceuticals, environment, advanced and new technologies, food processing, automobiles and aeronautics. In this regard, the Government of India has confirmed the purchase of 43 Airbus aircraft by Indian Airlines.

India and France underline the vitality of Indo-French scientific, technical and educational cooperation. In order to further strengthen this relationship the President of the Republic conveyed France's willingness to welcome more Indian students in French universities and 'Grandes Ecoles', and towards this end, to put into place an ambitious policy of scholarships and exchange programmes.

In the cultural field, a major exhibition of art from the Gupta period will be held in the Grand Palais in 2007. It will be an occasion to share this unique Indian cultural heritage with a large French audience.

The Governments of India and France accord high priority to the exchange of high level visits for the further intensification of the bilateral relationship. In this context, the French President warmly accepts the Prime Minister's invitation to visit India on 20 – 21 February 2006.



586. Media briefing by Official Spokesperson on the reports regarding refusal of visa by France to some Indian Officials.

New Delhi, October 22, 2005.

Official Spokesperson: We have received some questions since morning on one of the news reports which talked about visas and France. So, let me clarify.

There were a number of recent instances where senior Indian functionaries holding diplomatic and official passports were denied transit and entry visas by the French Embassy in New Delhi. In some cases visas were delayed resulting in inconvenience to dignitaries traveling through France. The Government of India had then advised all its Ministries and agencies to avoid approaching the French Embassy for visas and to defer travel to or through France, while it sought clarification from the French Government whether there was a change in its visa policy with respect to Indian diplomatic and official passports.

The French Government has now confirmed that there is no change in its policy and has regretted the inconvenience caused as a result of the instances brought to its attention. We have been assured that visas will henceforth be issued expeditiously to holders of diplomatic and official passports. The earlier advice given to Ministries and agencies has, therefore, now been withdrawn.

The Governments of both India and France, I may add, attach great importance to their special relationship and the importance of promoting wide-ranging contacts between the two countries in different fields. We are both currently engaged in intensive preparations to ensure that the forthcoming visit of His Excellency President Jacques Chirac to India will be a resounding success.

Question:...inaudible...

Answer: They said that there is no change in their policy and they regretted that some inconvenience has been caused.

Question: The report said that some French journalists were denied visas...

Answer: I think that there is no point in now going into specifics. The point

of the news report was that such and such advice was given to our Ministries. I clarified to you, it was, for a particular reason. That reason now stands nullified and therefore the advice is withdrawn.

Question: When was it issued?

Answer: Recently.

Question: On 13th of October some members of the Speaker's delegation were not given visa. Has this been due to that?

Answer: It is possible that that was also a part of the number of people who were caused inconvenience.

Question: Where did they convey their decision, here or in Paris?

Answer: It has been conveyed to us in Delhi.

Question: The report talked about some computer problem...

Answer: I think let us look at the broad thing. They have said that there was no change in their policy and they have come to us saying that they regret the inconvenience caused.

Question: Why did India deny visas to some French journalists?

Answer: Not that I am aware of. It could be, but I am not aware of any specific instance that is part of this aspect (about which) I am talking to you. Normally, there is a very standard policy of the Government of India on issue of visa to journalists. If the person is an accredited journalist, is coming for a genuine news purpose, is supported by letters from his news organization or editor, then our Missions are empowered to give visas.

Question: Can you clarify when all this happened?

Answer: I will have to get you dates, if that is important at all. This is ongoing diplomatic exchange which carries on between countries, to sort out issues which are causing bilateral problems. So, I do not think that you should go by a particular date or thing.

Question: Were the French journalists who were denied visas accredited journalists?

Answer: I am not going into any specific case of denial (of visa) to any French journalist. I am telling you that the issue is that there was inconvenience caused to Indian diplomatic and official passport holders. I am not talking of French journalists at all.



GERMANY

587. Address by External Affairs Minister K. Natwar Singh at the release of the book 'India and Germany –Shaping the Future'.

New Delhi, September 5, 2005.

Shri. Onkar S. Kanwar, President of FICCI,
Ambassador of Germany,
Shri Dinesh Trivedi,
Dr. Amit Mitra,
Distinguished Guests, Ladies and Gentlemen,

It is a pleasure to be here today to release the book 'India and Germany –Shaping the Future'. I must commend FICCI's efforts in bringing out this most useful and informative publication.

Contacts between India and Germany go back a long time. Historians date our first contacts to Bavarian merchants coming to the Malabar Coast 500 years ago! The first chair of Indology in Germany was created in 1818 in the state of North Rhine Westphalia. Bonn was once referred to as 'Banaras on the Rhine.' August Wilhelm von Schlegel published the first book ever printed in Nagari script in Europe. Fittingly, it was an annotated edition of the Bhagavad Gita. Soon thereafter, printed editions of the four Vedas and many other Sanskrit texts were made available. Otto Franz Bopp's contribution to the study of Indian grammar, syntax and metre, Otto von Bohtlingk's translation and annotation of Panini's Astadhyayi and the work of scholars like Buehler, Kielhorn, Max Mueller, Stenzler, Wackernagel are all testimony to German Indology. Herman Gundert published the first book on Malayalam grammar and the Malayalam-English Dictionary 150 years ago.

Today, India and Germany are Strategic Partners. Our bilateral relationship acquired a strategic dimension in May 2000 when the two countries adopted the vision document "Agenda for Indo-German Partnership in the 21st Century".

The Indo-German strategic partnership is a factor for peace and stability in the world. We have a similarity of approach on international issues

of mutual concern. Both countries believe in the urgent need for reform and expansion of the UN Security Council and, together with Brazil and Japan, have formed the G-4. At the bilateral level, we enjoy excellent political relations, which are based on mutual respect and shared values. We remember Chancellor Schroeder's visit to India in October 2004, which provided an impetus to our bilateral relations and the future direction of its growth.

The Indian economy is one of fastest growing economies in the world. Our average annual rate of growth has been nearly 7% over the last decade. Our objective is to double the per capita income in the next ten years. Germany is one of India's most important trade and investment partners. Bilateral economic cooperation is strong but has yet to reach its true potential. It is good to note that our two-way trade has grown significantly last year and has reached Euro 6.3 billion. Given the size and complementarities of our respective economies, we need to facilitate greater trade and investment flows.

IT, Biotech, Entertainment, Healthcare, engineering goods, fresh fruits & processed food stuffs, floriculture, automotive components, chemicals, pharmaceuticals, value addition & diversification in cotton, silk, leather, sports goods, toys are areas for growth. In addition to the traditional sectors, knowledge-driven sectors hold tremendous potential for collaboration.

The German news magazine Der Spiegel has cited India as the No. 1 destination of choice for offshore development by German software companies.

Global corporations like Daimler Chrysler, Siemens, SAP, Deutsche Bank, Lufthansa, GE and IBM have Research & Development operations or Call Centres in India. German small and medium enterprises should also find this a cost effective option.

It is heartening to note a new and welcome trend of Indian investments in Germany particularly in the IT, automobile and pharmaceutical sectors. I am sure that coming years will see an acceleration of this trend.

Ladies and Gentlemen, India values its relations with Germany as a

friend and a partner. Both countries regularly exchange high-level political, business and economic delegations. Both sides are keen to take the relationship forward, with special emphasis on trade and investment flows. We are not only keen to enhance the quality of our bilateral relations but also to strengthen links within the framework of the UN, the EU and the G-8. I believe that in the years to come, the bilateral relationship between our two countries will further consolidate to the mutual benefit of both our countries.

Once again, I congratulate FICCI for bringing out this book. I am confident that India and Germany will continue to remain close partners for peace, progress and prosperity and will play their rightful role in shaping the future of the world.



HUNGARY

588. Press release of the Ministry of External Affairs on the 6th Round of Indo-Hungarian Foreign Office Consultations.

New Delhi, February 1, 2005.

The 6th round of Foreign Office Consultations between India and Hungary was held in New Delhi on January 31, 2005. The Hungarian side was headed by H.E. Mr. Laszlo Varkonyi, Deputy State Secretary, Ministry of Foreign Affairs and the Indian side by Smt. Shashi U. Tripathi, Secretary (West), Ministry of External Affairs. During the Consultations, the two sides had a comprehensive review of bilateral relations as well as regional and international issues of common concern. Both sides also discussed various ways to promote bilateral cooperation. The visiting dignitary called on Shri E. Ahamed, Hon'ble Minister of State for External Affairs and met Shri Rajiv Sikri, Secretary (East) Ministry of External Affairs. He also had an interactive meeting at the Institute for Defence Studies and Analysis (IDSA). The relations between India and Hungary have been substantive and multifaceted with trade registering a 58% growth in 2003 at US\$ 162 million. Two of India's large IT companies have opened Software Development Centres in Budapest. H.E. Mr. Peter Medgyessy, the then Prime Minister of Hungary paid a State Visit to India in November 2003.



589. Agreement on Economic Cooperation between the Government of the Republic of India and the Government of the Republic of Hungary.

Budapest, June 23, 2005.

The Government of the Republic of India and the Government of the Republic of Hungary, hereinafter referred to as “the Contracting Parties”,

Desirous of enhancing the long-standing relationship between their countries,

Wishing to continue and reinforce their existing traditional economic relations,

With the intention of developing and intensifying their economic, industrial, technical and technological Co-operation on the basis of mutual benefit,

Convinced, that the deepening of the contractual framework establishes favourable conditions and suitable basis for further Co-operation,

Within the framework of the respective legislation in force in the two countries and in full conformity with their international obligations,

Have agreed as follows :

Article 1

The contracting Parties shall promote, within the framework of their respective legislation in force, the expansion and diversification of mutually advantageous economic co-operation in all fields relevant to economic and social development.

Article 2

The Contracting Parties, considering the current state and perspectives of economic relations, agree that favourable conditions for long-term cooperation exist, inter alia, in the following areas:

- Energy Sector (power plant projects and expansion, rehabilitation of power stations, as well as hydrocarbon exploitation).
- Electronic and electro technical industry;

- Modernization of public transport; development of railway transport,
- Food processing industry,
- Bio-technology,
- Water management, environmental issues,
- Agricultural research and education,
- Industrial machinery and machine tools and manufacturing,
- Pharmaceutical and chemical industry, health care and medical technology,
- Auto components,
- Electrical equipment and appliances;
- Information and communication technology,
- Computer and software industry,
- Investment,
- Tourism,
- Co-operation between small and medium-size businesses, Science and technology.

Article 3

The Contracting Parties shall endeavour to broaden and intensify their cooperation through appropriate means, such as:

- Promoting the links and strengthening the co-operation between the economic policy-makers, government institutions, professional organizations, business federations, chambers, regional and local entities, encouraging the exchange of economic information of mutual interest, as well as the visits of their representatives and other economic and technical delegations,

Exchanging information on development priorities and facilitating the participation of business operators in development projects,
- Expediting the establishment of new contacts and broadening the

existing ones between the business circles of the two countries, encouraging the visits, meetings and other interactions between individuals and enterprises,

- Exchanging business information, encouraging the participation in fairs and exhibitions, organizing business events, seminars, symposia and conferences,
- Promoting the stronger participation of small and medium-size private sector enterprises in bilateral economic relations,
- Encouraging the co-operation in providing consulting, marketing, advisory and expert services in the areas of mutual interest,
- Encouraging their financial institutions and banking sector to establish closer contacts and strengthen their co-operation respectively,
- Encouraging investment activities, the foundation of joint ventures, establishment of company representations and branch offices,
- Promotion of inter-regional co-operation and co-operation on international level in issues of mutual interest.

Article 4

Upon conclusion of this Agreement a "Joint Commission" shall be established that shall be convened upon request of either Contracting Parties alternatively in India and Hungary.

The duties of the Joint Commission shall comprise, in particular, the following:

- Discussion of the development of bilateral economic relations,
- Identifying new possibilities for the further development of future economic co-operation,
- Drawing up suggestions for the improvement of terms for the economic co-operation between enterprises of both countries,
- Making proposals for the application of this Agreement.

Differences of opinion between the Contracting Parties on the application or interpretation of this Agreement are to be settled within the framework of the Joint Commission.

Article 5

This Agreement shall apply without prejudice to the obligations flowing from Hungary's membership in the European Union, and subject to those obligations. Consequently the provisions of this Agreement may not be invoked or interpreted in such a way as to invalidate or otherwise adversely affect the obligations imposed by the Treaty on European Union or by Cooperation Agreement between the Republic of India and the European Economic Community signed in Brussels on December 20, 1993.

Article 6

This Agreement shall enter into force on the date of signature and shall be valid for a period of three years, thereafter it shall be extended for successive one year periods unless either Contracting Party notifies the other, in writing, of its intention to terminate it three months prior to its expiry.

Any amendment to this Agreement shall be made by mutual consent of the Contracting Parties and shall comply with existing legal procedures established by the legislation of the Contracting Parties.

Done and signed in Budapest on June 23rd 2005, in two original copies each in Hindi, Hungarian and English languages, all texts being equally authentic. In case of doubt, the English Text shall prevail.

For the Government of the
Republic of India

(Manbir Singh)
Ambassador of the Republic
of India

For the Government of the
Republic of Hungary

(Dr. Istvan Major)
International Trade
Representative



590. Press release on the visit of External Affairs Minister K. Natwar Singh to Hungary.**Budapest, June 24, 2004.**

On June 24, 2005, Shri Natwar Singh, External Affairs Minister called on Dr. Ferenc Madl, President of Hungary. During the meeting, Indo-Hungarian bilateral relations were reviewed and steps identified to further intensify ties.

EAM laid a wreath at the Nehru Memorial in Budapest, the foundation of which was laid by PM Rajiv Gandhi in 1988. Mayor Dr. Ferenc Gegesy welcomed the delegation. EAM has offered to donate a bust of Pt. Jawaharlal Nehru for the Memorial.

EAM met Speaker of the Hungarian Parliament, Ms. Katalin Szili. During the meeting, Indo-Hungarian bilateral relations were reviewed. It was agreed that exchange of visits by Speakers of the Indian and Hungarian Parliaments as also exchange of Parliamentary delegations had contributed to enhancing understanding and deepening mutual interest in each other's countries.

EAM also had an informal luncheon meeting with Mr. Szilveszter Vizi, President of the Hungarian Academy of Sciences¹.

On June 25 External Affairs Minister Natwar Singh, accompanied by his wife, Mrs. Hem Natwar Singh, unveiled the bust of Gurudev Rabindranath Tagore in Balaton Fured. He was received by Mr. Istvan Boka, Mayor of the city of Balaton Fured. In his speech, EAM pointed out that Balaton Fured has a special place in Indo-Hungarian relations and "it gives

1. In New Delhi the Spokesman of the Ministry of External Affairs briefing media persons on the visit giving information on the previous day's engagements said: "he called on Prime Minister Ferenc Gyurcsany and met Foreign Minister Dr. Ferenc Somogyi. In the presence of External Affairs Minister and Foreign Minister Somogyi, an agreement on Economic Cooperation between the Governments of India and Hungary was signed by the Ambassador of India Shri Manbir Singh and Mr. Istvan Major, International Trade Representative of Hungary. The meeting they utilized, naturally, for discussing Indo-Hungarian bilateral relations in all their aspects particularly economic relations. It was agreed that further steps would be taken to strengthen Indo-Hungarian relations through regular consultations. The Joint Commission needed to meet soon and they also discussed ways and means in enhancing cooperation in areas such as science and technology, culture and education. Hungary, during these discussions expressed support for the G-4 framework resolution."

me great pleasure to be here today and present a bust of our Nobel laureate, Rabindranath Tagore to the people of this very picturesque city. We in India are indebted to the people of Hungary for receiving and nurturing our great poet when he visited Hungary and came to Balaton Fured for treatment in 1926. I would also like to acknowledge with appreciation the efforts of the Balaton Fured hospital in keeping alive the memory of Tagore by preserving the room where he received treatment along with the poet's memorabilia. The promenade named after Rabindranath Tagore and the saplings planted around his bust have become symbolic of the deep roots of the historical friendship and cultural partnership between our two great nations. The trees planted in this area bear the name of almost all the very key figures in the Indian polity in the last fifty years."

EAM visited the Cardiac Hospital where Gurudev had recuperated in 1926 and where a memorial has been created to his memory. He was received by the Director of the Hospital, Dr. Gabor Veress. EAM announced a donation of HUF 1.5 million for the Hospital.



ICELAND

591. Speech by President Dr. A. P. J. Abdul Kalam at the banquet hosted in his honour by the President of Iceland Olafur Ragnar Grimsson.

Reykjavik, May 30, 2005.

**Your Excellency President Olafur Ragnar Grimsson,
Your Excellency Madame Dorrit Moussaieff,
Excellencies,**

Friends,

It is both an honour and pleasure for me and my delegation to be in this great and friendly country. I would like to express my sincere gratitude for warm welcome extended to me and my delegation on our arrival yesterday at Reykjavik. By hosting this magnificent State Banquet today, you have not forgotten the Havamal millennium old advice on hospitality:

"The newcomer
needs fire
his knees are numb.
A man who has made
his way over mountains
needs food and fresh linen"

I am delighted to be here as I have long been fascinated by Iceland and her "self-standing people." Historically, your great Viking ancestors successfully battled the harshest natural elements mankind has ever faced. Their indomitable courage created a comprehensive civilisation known for its ruggedness and spirit of discovery. The profound wisdom and values of Havamal and other Eddaic poems and famous Sagas created more than a millennium ago are still relevant to humankind. Later you waged a long struggle against the foreign political and socio-economic domination so beautifully described by Hallador Laxness' literary works for which he was awarded the Nobel Prize in literature in 1955. After gaining independence in 1944, Iceland people have pursued nation building with the same spirit of determination, adventure and discovery their forefathers were famous for. And here too you have been successful in creating a prosperous society,

with an ambience that is modern, democratic and tolerant. Today, your achievements in science and technology cover a wide spectrum from alternative sources of energy to genome mapping.

Iceland's remarkable journey through history bears considerable similarity with our own, although contexts are often different. We, too, for instance, have a historic seafaring tradition. Indians, too, struggled with forbearance against foreign rule and achieved political independence in 1947. We have also been working to uplift our country and are today the world's largest democracy and fourth largest economy. India's spectacular successes in agriculture, IT, pharmaceuticals nuclear and space research are well known.

Excellency,

Your historic State visit to India in 2000 has been a defining moment in our bilateral history. We deeply appreciate patronage of bilateral relations by Iceland side since the visit. My government, too, shares your commitment to expand and deepen our ties for our mutual advantage. We believe that my current visit to Iceland would give further fillip to our ties by providing visibility and fostering mutual awareness. The bilateral institutions and framework created during the visit would facilitate and encourage synergy, notably in economic and technological fields. Our bilateral trade could benefit from greater focus on mutual comparative advantages, particularly in areas such as fisheries, textiles, food articles and consumer goods. There are adequate possibilities to promote people-to-people contacts through tourism and cultural exchanges.

Mr President, India and Iceland share cherished values such as pluralistic democracy, human rights and freedom in a tolerant social environment. Both India and Iceland are committed to the UN Charter. We believe that there is a dire need to reform the UN structure to make it more compatible with the contemporary realities and make it more democratic and transparent. We greatly appreciate Iceland's principled and consistent support to India's candidature for a permanent seat at the UN Security Council¹.

1. As a result of discussions between the Indian President and the Icelandic President Iceland agreed to support India's candidature of the UN Security Council. Iceland also announced her decision to cosponsor the draft resolution prepared by the G-4 countries suggesting changes in the Security Council. Later President told a press conference that he thanked the Icelandic President for agreeing to cosponsor the G-4 draft. The President indicated that India and Iceland could cooperate in the areas of pharmaceuticals, earthquake predictions,

Before I conclude, I would like to convey my gratitude and that of my delegation for the Icelandic hospitality extended to us.

Excellencies & Friends,

May I now request you to join me in raising a toast:

- To the health and happiness of His Excellency President Olafur Ragnar Grimsson & Madame Dorrit Moussaieff;
- To progress and prosperity of our two friendly people; and
- To the continuing friendship and growing co-operation between India and Iceland.



592. Memorandum of Understanding on Consultations between the Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of Iceland.

Reykjavik, May 31, 2005.

The Ministry of External Affairs of the Republic of India and the Ministry for Foreign Affairs of Iceland,

- determined to develop friendly relations between their countries on the basis of the UN Charter,
- convinced of the importance to develop regular dialogue and strengthen their bilateral cooperation, have reached the following understanding:

The Ministries will consult on questions of mutual interest concerning bilateral cooperation and on international issues with a view to developing mutually beneficial cooperation in various fields.

geo thermal power generation and applications and deep-sea fishing, processing and marketing. The Icelandic President said that the cooperation between the two countries in space, science and technology offered a pathway for progress. "We have a great road ahead in the field both India and Iceland have chosen, to become major players in healthcare and pharmaceuticals," he said. President Kalam said both the countries could work together to produce cost-effective and competitively produced medicinal drugs.

The Ministries will promote, within their terms of reference, the establishment of direct contacts between governmental, public and private institutions of their countries.

The first contact will be at the level of Permanent Secretaries of the Ministry of External Affairs of India and the Ministry for Foreign Affairs of Iceland and will take place in the year 2006. At that meeting cooperation between the Foreign Services of the two countries will be discussed, inter alia the possibility of foreign service training.

Further dates, venues and agendas of consultations shall be agreed upon through diplomatic channels.

Done at Reykjavik on 31 May 2005, in two originals each in Hindi, Icelandic and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

For the Ministry
of External Affairs
of the Republic of India
Shashi U. Tripathi
Designation :
Secretary, Ministry of External Affairs
of the Republic of India

For the Ministry
For Foreign Affairs
of Iceland
Gunnar Snorri Gunnarsson
Designation
Permanent Secretary of State
Ministry of Foreign Affairs of
Iceland



ITALY

593. Speech of President Dr. A. P. J. Abdul Kalam at a banquet in honour of the President of the Republic of Italy Carlo Azeglio Ciampi.

New Delhi, February 14, 2005.

**Your Excellency Mr. Carlo Azeglio Ciampi,
President of the Republic of Italy,
Madam Franca Ciampi,
Distinguished Guests,**

Ladies and Gentlemen,

It gives me great pleasure to extend a very warm welcome to you Mr. President, to Madam Ciampi and to all the members of your distinguished delegation to India.

I welcome you today not only as the President of Italy, but as a high representative of a great civilization with which India has had very close links from the earliest times. In recent times, Italy was amongst the first to develop keen academic interest in Indian classicism; from Italian Filippo Sassetti, the first to recognise, as early as the 16th century, the links between Sanskrit and Latin and thus between India and Europe, to the great Indologist Professor Guiseppe Tucci, whom India honoured with the Jawaharlal Nehru Award for Peace and International Understanding in 1976.

Mr. President, Italy is a country greatly respected in India for its contribution to the evolution of human civilization. The names of Virgil, Michaelangelo, Leonardo da Vinci, Dante, Galileo and Marconi, to name a few, illuminate the portals of human creativity. Particularly about Dante Alighieri's *Inferno*. I was myself so much enamoured and I read it three times during my college days. Similarly, in the story of progress of freedom, Italy's contributions are read by our children about Garibaldi, Mazzini and Cavour.

However, today from all the contributions that Italy has made to civilizations, I shall single out one idea — the idea of receiving and giving, which has been at the core of human progress and must continue to be so,

with greater relevance, in today's world of globalisation. The Renaissance which was born in Italy and flourished so magnificently on its soil was a true manifestation of this belief. Italy has always been open to receive the best that cultures, far and near, in different stages of their evolution, could offer. This reflected the spirit of your people, their quest for knowledge; and their desire to receive and to synthesize; of evolving through each such interaction into a higher plane of creativity. Tolerance, absorption and receptivity have been the dominant characteristics of your civilisation. The resultant product was the Renaissance and the revolution it unleashed in the sciences and arts towards the creation of a modern world.

We in India have always been willing to receive civilisational influences from far and near with open minds, making them our own; synthesising them to produce an eclectic, tolerant civilisation of many hues and strands. Thus our Nobel Laureate Poet Rabindra Nath Tagore once compared India to the ocean of the noble humanity, where civilisations come and take, meet and are met, never to return disappointed.

Mr. President, this is the essence of India, a pluralistic, multi-cultural, multi-ethnic, multi-religious land of more than a billion people. We are a democracy of one billion people, because no other system of governance can possibly assimilate, indeed enable such diversity to flourish and prosper. Freedom is the essence of our life and philosophy, the soul of our Dharma, our spiritual doctrine and our work.

We shall pursue peace because we need to increase the wealth of our nation, to sustain our economic growth, to spread the benefits of development to every corner of our country.

Mr. President, our economy is growing at around 7 to 8 percent per annum with a high degree of success in many areas including Information Technology, biotechnology, pharmaceuticals, textiles and the automobile industry. I am aware that you have come with a large delegation of businessmen and Ministers dealing with commercial and economic relations. India offers to Italian industry and commerce vast opportunities and potential, yet untapped. Italy has core competence in the areas of tourism, fashion design, and style and in certain technological areas, while we in India take great pride in our competence in the areas of textiles and Information Technology. We could collaborate in marketing our tourism and textiles to the world. Similarly, India could offer space cooperation in the area of launch vehicles. The area of small and medium scale industries is also full of

potential in which both our countries could work together for the benefit of our industries.

I am glad that India and Italy have signed six agreements and MOUs during your visit. I have been particularly very happy to hear that your Government is planning to increase collaboration with India in the frontier sciences of space technology, hydrogen as an alternative fuel, nano-technology, Information Communication Technology, robotics and life sciences amongst several others. Science is linked to technology through applications. Technology is linked to the economy and the environment through the manufacture of knowledge products. The economy and the environment are linked to technology, which promotes prosperity in society.

I also understand that you want to set-up cooperative collaboration through four centres of excellence between our two countries. Your country has given the world such great scientists as Galileo, Volta and Fermi and has been a world leader in pure physics, chemistry, genetics and design technology. We have a scientific and mathematical tradition of Sir C.V. Raman, Chandrasekhar Subramaniam, J.C. Bose and Srinivasa Ramanujan. With this background, I am confident that collaboration between our countries will be of immense benefit to both our nations and also to the world of science. I would strongly suggest that both our countries collaborate in major products based on the futuristic areas of Info-Bio-Nano Technology. In the near future Italy and India should launch a Joint Venture to design, develop, produce and market a world class system, something like a new Car or any system using the core competence of both countries and make the product internationally competitive.

Finally, I understand that under your guidance, the Government of Italy is taking important steps to assist us in the restoration and maintenance of our heritage. Anybody who has visited Italy is aware how carefully and how expertly you maintain your vast cultural heritage and your priceless resources. I believe that the treasures of our heritage systems are as much a wealth for mankind as they are for India and must be maintained with the greatest expertise. I welcome cooperation in this sector as a remarkable step in our global responsibility to maintain our heritage¹.

1. The Spokesperson of the Ministry of External Affairs speaking to media on February 10 on the visit recalled that the last Presidential visit from Italy was in 1995 by Dr. Oscar Luigi Scalfaro, the then Italian President. Then President Dr. Shankar Dayal Sharma had visited

Thus Your Excellency, in politics and in commerce, in science and in culture, India and Italy can be valuable partners as befitting two great nations with such fundamental contributions to the history of civilisation. Our closeness of the past, our joint efforts today will, I am sure, lay the path for a future committed to the welfare of men through science and innovation through democracy and peace.

May I now request the Distinguished Guests to join me in raising a toast to: -

- the health and prosperity of His Excellency President Carlo Azeglio Ciampi and Madam Franca Ciampi;
- the progress and prosperity of the friendly and peace-loving people of Italy; and
- the growing friendship and cooperation between India and Italy.



594. Press release of the Ministry of External Affairs on the visit of Minister of State Rao Inderjit Singh to Milan and North Italy.

New Delhi, May 27, 2005.

India's business linkages with Italy can be expected to increase manifold in coming years. This perception was strongly endorsed at the India Business Orientation Meeting presided over by Shri Rao Inderjit Singh, Hon'ble Minister of State for External Affairs, Government of India, at Verona, North Italy on 26 May, 2005. The event, which was organized by Government of India in partnership with the premier Italian bank, Banco Popolare di Verona e Novara (having a representative office at Mumbai) was attended by over 100 top Italian businessmen from various sectors.

Italy in October 1996. He said that India's relations with Italy are warm and friendly. Both countries share fundamental values of democracy, independent judiciary, rule of law and free press. The Italian President's visit will provide an impetus to further consolidate bilateral relations. It will be a useful opportunity to exchange views on regional and international issues of mutual concern. With bilateral trade at US \$ 2.7 billion, Italy is India's 4th largest trading partner in the EU and ranks 12th in terms of approved investments amounting to US \$ 1.31 billion from 1991- September 2004.

In his keynote address at the business meeting, MOS powerfully articulated the diverse and tangible opportunities available for doing international business in India today. The recessionary conditions in the EU, rising labour costs and mounting competition from Asian economies, has seriously affected the business fortunes of Italian small and medium enterprises, which constitute the backbone of the Italian economy. With its large pool of technical manpower available at economical costs, extensive infrastructure for doing business and global orientation, India can be an excellent partner for the Italian industry. Besides keynote address by MOS, Chief Executive Officer of Banco popolare di Verona e Novara, Ambassador of India, President of the Province of Verona, Minister in the Regional Government of Veneto, and Italian CEOs having business operations in India also spoke on the occasion.

MOS's current tour comes shortly after the positive momentum given to bilateral relations between the two countries after the visit of President Ciampi of Italy to India in February 2005.

Earlier during his tour, MOS(RIS) had fruitful discussions with President (Governor) Roberto Formigoni of the Region of Lombardy in North Italy. During their talks, both leaders expressed satisfaction at the close and cordial relations existing between two countries. Prospects for strengthening business linkages between India and the dynamic Lombardy business community were also explored. President Formigoni accepted MOS's invitation to visit India. After the meeting, the two leaders also addressed a press conference which was widely reported in local press circles.

During his current tour, MOS(RIS) will also be having extensive interaction with the overseas Indian community in North Italy under the aegis of the India Business Forum, Milan.



595. Press release of the Ministry of External Affairs on the meeting between External Affairs Minister K. Natwar Singh and Deputy Prime Minister and Foreign Minister of Italy Gianfranco Fini.

Rome, June 20, 2005.

Shri K. Natwar Singh, Minister of External Affairs met today with his Italian counterpart Deputy Prime Minister and Foreign Minister Mr. Gianfranco Fini. This is the second meeting between the two Foreign Ministers this year - the first after it was decided to upgrade political level annual consultations between the two Governments.

2. Both Ministers referred to the "landmark" visit of the President of the Italian Republic to India in February this year at which time as many as six hundred businessmen, including a large number of CEOs, from Italy had also visited India. They recognized that a new momentum has been imparted to our relations which needs to be supported and continued.

3. It was agreed that early implementation of various agreements signed during the State visit including those pertaining to Foreign Office consultations, preservation of caves of Ajanta and the Framework Agreement on Science & Technology would be brought into implementation stage at the earliest. The proposed setting up of a Business Forum between the two countries was also encouraged by the two Ministers.

4. Both sides exchanged views on enhancing the economic and technological relationship between India and Italy and provide it with political support to take it to a higher level in the near future. The Italian side spoke about their interest in looking at opportunities in India in the field of infrastructure and food processing. A high level delegation is expected to visit India in September. From the Indian side, interest in greater interaction in the information technology sector was emphasized.

5. There was an exchange of views on various international and regional issues indicating the growing political understanding and relationship between India and Italy. Issues pertaining to the forthcoming G-8 Meeting, where PM would be one of the invited leaders, were also discussed.

6. On the important issue of the reform of the United Nations,

particularly the UN Security Council, there was a frank exchange of views with EAM emphasizing the Indian point of view and explaining the dynamics of the current movement including his forthcoming participation in the G-4 Meeting in Brussels.

7. During his visit, the External Affairs Minister would also meet with the President of the Chamber of Deputies Mr. Pier Ferdinando Casini; with Mr. Claudio Scajola, Minister of Productive Activities; with Mr. Luca di Montezomolo, Chairman of Confindustria, Fiat and Ferrari and deliver an important address at the Senate on "India and the EU: Cooperation in the Era of Globalization".



596. Press release of the Indian Embassy in Rome regarding the meeting of External Affairs Minister K. Natwar Singh with President of Confindustria, Fiat and Ferrari.

Rome, June 21, 2005.

In an unprecedented gesture, Mr. Luca di Montezomolo, the President of Confindustria, who is also the President of Fiat and Ferrari, hosted External Affairs Minister Shri K. Natwar Singh to a luncheon meeting and introduced him to 20 top CEOs of Italian companies. Such a high level meeting has not taken place with a visiting Indian Minister for nearly 5 years and shows a revival of interest by Italian companies in India and its economic development.

2. Mr. Montezomolo while welcoming EAM said that the warm response received from the Government and business community of India during their visit to India along with the Italian President in February this year convinced them that not only were market opportunities in India beckoning, but the institutional support was forthcoming as well. He said that the presence of so many large and medium companies at the luncheon in honour of EAM was a manifestation of their interest.

3. The presence covered a large number of sectors including infrastructure, automobiles, automobile parts, port logistics, airlines, energy, fashion apparel and machinery. Several of the delegates had visited India in February and some already had business in India. What was noticeable

was that many participants at the luncheon had so far no business relations with India and were now attracted by the opportunities in India and were eager to speak to EAM about these.

4. EAM informed Mr. Montezomolo and his associates about the opportunities in India, the positive ambience created by the Government through its policies and the positive elements of India's economic development which could serve as a useful bridge for Italian entrepreneurs. Recalling that Indo-Italian trade was at a new high of US\$ 4.0 billion last year, EAM said that the time has come to move to a new level of dynamic growth which should include infrastructure, joint ventures and investment. Mr. Montezomolo and several of other participants agreed with EAM's assessment and said that they valued India's democratic tradition, harmonious growth, respect for international trade rules and growing market opportunities which led them to believe that opportunities in India needed to be pursued more quickly than Italy had done earlier.

5. It was agreed at the meeting that intensive follow up to the February visit of the business delegation and the present meeting with EAM would be carried out and select areas of cooperation identified for early implementation.

Meeting with the Speaker of the House

6. EAM today called on President of the Chamber of Deputies (Speaker of the House) Mr. Pier Ferdinando Casini. President Casini had visited India earlier this year and spoke warmly about his understanding of India and its current development. He expressed great admiration for India's path of development, its ability to modernize and develop despite its large size and said that it sets an example for many countries.

7. In his interaction, EAM explained to President Casini the dynamics of modern India and the principles of the ruling coalition and the priorities of the present Government.

8. The subjects of immigration, terrorism and regional developments were also discussed. President Casini expressed admiration for people of Indian origin who had migrated to Italy and were contributing to its economy and integrating well into the country.



NORWAY

597. Media briefing by the Official Spokesperson on the visit of a delegation of the Norwegian Parliament's Foreign Affairs Committee.

New Delhi, January 24, 2005.

A delegation of the Norwegian Parliament's Foreign Affairs Committee is in town. They had a meeting with the External Affairs Minister Shri Natwar Singh today. The delegation, incidentally, includes two former Prime Ministers of Norway Mr. Thorbjorn Jagland and Mr. Jen Stoltenberg. External Affairs Minister welcomed them and noted positive momentum in the bilateral relations that included signing of a bilateral agreement in July 2004 between the two Foreign Ministers on setting up a Joint Commission to be co-chaired by them. The first session of the Joint Commission is likely to be held in mid-June 2005 in Oslo. He also appreciated Norway's support for India's candidature for a permanent seat to the UNSC. The head of the visiting delegation commended the new energy in UNSC. The head of the visiting delegation commended the new energy in India and reiterated Norwegian support for India's UNSC candidature. Among the issues raised were bilateral relations and India's relations with neighbouring countries.

I may point out that Norway is world's third largest exporter of oil and in 2004 its oil export revenues are estimated to have been US\$ 37 billion. It has US\$ 170 billion strong Petroleum Fund for foreign Investments. External Affairs Minister invited some of these investments to be directed towards India.



598. Press release of the Ministry of External Affairs on India-Norway Foreign Office Consultations.

New Delhi, May 10, 2005.

The 4th round of Foreign Office Consultations between India and Norway was held in New Delhi on May 9, 2005. The Norwegian side was headed by H.E. Mr. Jorg Willy Bronebakk, Deputy Secretary General, Ministry of Foreign Affairs and the Indian side by Smt. Shashi U. Tripathi, Secretary (West), Ministry of External Affairs.

During the Consultations, the two sides had a comprehensive review of bilateral relations as well as regional and international issues of common concern. Both sides also discussed various bilateral economic and commercial issues to be taken up during the First Joint Commission Meeting scheduled to be held in June 2005. The Commission will be co-chaired by the Foreign Ministers of the two countries.

The visiting dignitary also called on Minister of State for External Affairs, Rao Inderjit Singh.

Relations between India and Norway are friendly and growing. The total bilateral trade stood at US \$305 million in 2004.



599. Briefing points by Official Spokesperson on External Affairs Minister K. Natwar Singh's visit to Norway.**New Delhi, June 17, 2005.**

External Affairs Minister Shri Natwar Singh attended the first ever Joint Commission Meeting held between India and Norway on June 16 and 17, 2005. It was also the first ever Joint Commission for Norway¹.

- During his visit EAM has met the Foreign Minister of Norway, Minister of Trade and Industry, Prime Minister and King Harald V.
- The two sides decided to take cooperation to a newer level through the establishment of a Joint Working Group on Science and Technology and Culture. It was also decided to bring the already existing Joint Working Group on hydrocarbons under the ambit of the Joint Commission. It was agreed to explore possibility of setting up a Joint Working Group on Trade and Investment.
- Two documents were signed by the two Foreign Ministers. These were: MOU on cooperation between the Foreign Service Institutes of India and Norway; and Document containing Minutes of the Joint Commission Meeting.



1. The official Spokesperson briefing the media on June 20th said the Joint Commission with Norway was formed last year, "which essentially had the Working Group on hydrocarbons. The first session was held last year and this was the second session, which was a follow up of the Joint Commission. Besides the Group on hydrocarbons, two new Groups have now been set up, one on Science and Technology and one on Culture. The particular significance of hydrocarbons is because Norway is the world's third largest exporter of hydrocarbons and it has built up this into a major industry having gathered USD 400 billion in foreign assets.

600. Media briefing by Official Spokesperson on the meeting between Prime Minister Dr. Manmohan Singh and Norwegian Prime Minister Jens Stoltenberg.

New Delhi, December 9, 2005.

Official Spokesperson:On the visit of Prime Minister of Norway¹, the two Prime Ministers, when they met, agreed in principle to collaborate on the following two projects. One, on biotechnology with a view to enhancing existing complementarities and to contribute to the global fight against infant mortality and infectious diseases, the two countries agreed to set up a Task Force to devise a strategy for pooling their research & development efforts on vaccines and their production. The Task Force is expected to give its proposals before March 31, 2006. Secondly, India also conveyed its intention to set up an International Institute for Earthquake Precursors Studies in India and invited Norwegian partnership. The Norwegian side expressed its interest in joining the project and requested the Indian side to provide details.



1. The Norwegian Prime Minister was on a visit to India from December 7 to 9 accompanied by a high powered delegation. He attended the third Meeting of Partners of the Global Alliance for Vaccination and Immunisation (GAVI) held in New Delhi on December 7, 2005. During his visit, Prime Minister Stoltenberg paid a courtesy call on the President of India and had a meeting with Prime Minister Dr. Manmohan Singh on bilateral, regional and international issues of mutual concern. The Prime Minister hosted an informal dinner for the visiting dignitary. Mr. Stoltenberg on arrival in New Delhi told journalists that Norway would welcome India in the nuclear suppliers group if New Delhi addressed some of Oslo's concerns about non-proliferation. "We are open for dialogue as we are much in favour of non-proliferation." The Official Spokesperson Navtej Sarna giving a resume of India - Norway relations told a media briefing on December 6: "India and Norway enjoy cordial relations rooted in shared values, commitments and understanding. Bilateral ties have been progressively gaining substance. Bilateral trade stood at US\$ 305 million in 2004 having gone up over three fold in last decade. There has also been considerable increase in bilateral economic activity involving the hydro-electric infrastructure, hydrocarbons, joint ventures, ship-procurement and IT. Potential areas for mutually beneficial cooperation include deep offshore technology, fisheries, BPOs and biotechnology. India could emerge as a competitive source for Norwegian imports, particularly those of light engineering items, consumer goods, textiles and commodities. Norway, the world's third largest oil exporter, is also a major exporter of capital. Following recent registration of "Norges Bank" as a Foreign Institutional Investor with Securities and Exchange Board of India (SEBI), Norwegian investments in Indian capital market have also begun and the figure currently stands at US \$ 96 million. Nearly 7,000 people of Indian origin currently living in Norway act as a useful bridge between the two countries. India and Norway enjoy cordial relations rooted in shared values, commitments and understanding. There has also been considerable increase in bilateral economic activity involving the hydro-electric infrastructure, hydrocarbons, joint ventures, ship-procurement and IT. Potential areas for mutually beneficial cooperation include deep offshore technology, fisheries, BPOs and biotechnology. India could emerge as a competitive source for Norwegian imports, particularly those of light engineering items, consumer goods, textiles and commodities.

RUSSIA

601. Joint statement on the third meeting of the India-Russia Joint Working Group (JWG) on Combating International Terrorism.

Moscow, January 20, 2005.

The Third Meeting of the India-Russia Joint Working Group (JWG) on Combating International Terrorism was held in Moscow on January 19-20, 2005.

The Indian delegation was led by Ms. Meera Shankar, Additional Secretary (UN) in the Ministry of External Affairs, Government of India. The Russian delegation was led by Mr Anatoly Safonov, Special Representative of the President of the Russian Federation for international cooperation in fight against terrorism and transnational organized crime. Both delegations included representatives of relevant Ministries and agencies.

The Indian and Russian delegations reiterated that cooperation in combating international terrorism constitutes an important part of the strategic partnership between the two countries. They unequivocally condemned all acts, methods and practices of terrorism and reiterated their commitment to further strengthen cooperation in the field of counter terrorism.

The two sides reviewed the situation surrounding their respective nations and the security challenges that they face. They shared concern on cross border terrorism and emphasized the importance of action by all States to deny safe haven for terrorist groups and their members.

The two sides exchanged views on the measures taken by both countries domestically as well as in the international arena to strengthen the war against terrorism. They also discussed linkages between terrorism and illegal narcotics as well as new challenges, such as the threat of proliferation of WMD to terrorists. The two sides reviewed the findings of the report submitted by the high-level panel appointed by the UN Secretary General in so far as it relates to terrorism and decided to work closely with each other in advancing negotiations currently underway in the UN on India's initiative for a Comprehensive Convention on International Terrorism and

the Russian initiative for an International Convention for the Suppression of Acts of Nuclear Terrorism.

The Joint Working Group attached special importance to strengthening bilateral mechanisms and agreed to continue to exchange information and share experience in the fight against international terrorism. To this aim, participants will hold a targeted discussion on suppression of financing of terrorism in the near future.

The two sides agreed to hold the next session of the India-Russia Joint Working Group on combating international terrorism in New Delhi in the second half of 2005.



602. Press release issued by the Ministry of External Affairs on India-Russia bilateral consultations on strategic stability and disarmament.

New Delhi, January 29, 2005.

India and The Russian Federation held Bilateral Consultations on Strategic Stability and Disarmament in New Delhi on January 28, 2005.

2. The Indian delegation for the Consultations was led by Ms. Meera Shankar, Additional Secretary, Ministry of External Affairs and the Russian delegation was led by Mr. Sergei Kislyak, Deputy Foreign Minister, Ministry of Foreign Affairs of The Russian Federation. The two delegations comprised of representatives of the Ministry of External Affairs as well as other relevant Ministries.

3. Affirming their commitment to further develop and enhance their bilateral strategic partnership, both sides exchanged perceptions and assessments on issues of regional and international security. They agreed on the need for working towards the goal of a more cooperative, consensual and a multi-polar security order. The two sides decided to continue the dialogue and the Russian side offered to host the next round of talks in Moscow.

4. Deputy Foreign Minister Sergei Kisylak also called on Shri Shyam Saran, Foreign Secretary during his stay in New Delhi.



603. Special media briefing by Additional Secretary (EURASIA) Rajiv Dogra, on Prime Minister's Visit to Russia.

New Delhi, May 7, 2005.

Additional Secretary (Eurasia) : Good afternoon. The Prime Minister of India will be visiting Russia from 8th to 10th May to participate in the 60th Anniversary celebrations of the victory in the Great War. As per our indications, 56 Heads of States or Governments are expected to participate. The main events are on 9th of May. That is exactly the date sixty years back when the German forces surrendered to the forces of Soviet Union in Berlin.

The total casualties that Soviet Union suffered in World War II were in the range of about 27 million people – 20 million of them civilians, roughly seven million of them soldiers. The events of 9th May are likely start at 10 O'clock in the morning with a military parade. At 11:30, the leaders walk on to the Tomb of the Unknown Soldier where a wreath laying ceremony would be held. Thereafter, President Putin hosts a lunch reception for the assembled leaders. At 3 O'clock, we expect a bilateral meeting between the Prime Minister and President Putin. It is likely to be the very first meeting after lunch and one of the very few bilateral meetings that President Putin is taking during the course of various events on the 9th of May. Later in the evening at 8 O'clock, there is a cultural programme for the assembled leaders, including the fireworks display.

I think I should also give you a brief background of India-Russia relations over the last few months. Most of you recall that since October 2004 we have had a series of visits from Russia starting with Foreign Minister Lavrov in early October; and again in October, External Affairs Minister, Foreign Minister Lavrov and the Foreign Minister of China had met in Almaty for the trilateral meeting; then in mid November, 18th-19th November, the

Deputy Prime Minister of Russia had come for a Joint Commission meeting which was co-chaired by the External Affairs Minister. Later in November, on 30th November to be precise, the Defence Minister of Russia had visited India. The Indo-Russian Summit, the annual Summit, 5th in the series, was held on 3rd December in New Delhi.

One of the important directions after these visits and the meetings was a new constructive phase and we have seen results since December in our relationship. We had the first ever Energy Seminar between India and Russia in New Delhi. We also had the first ever IT Seminar between India and Russia in Bangalore in early December. From 15th February, the diplomatic and official passport holders of the two countries do not need to take a prior visa before visiting each other's country. So, that is another step forward. One of the Russian banks have opened a representative office in New Delhi only last month. The State Bank of India is present in Moscow. Since December, eight new credit lines have been set up by the Indian banks to their counterpart Russian banks.

We also expect the first Banking Seminar to be held in Moscow on 18th-19th of May. Twelve Indian banks are expected to participate. It is also likely that later in the month the Minister of Petroleum might be visiting Russia. This will be his second visit. This time he might even go to Sakhalin where ONGC Videsh has an equity participation.

Later in the year, in September-October, we hope to have a major Days of India Culture Festival in Moscow, St. Petersburg and perhaps another city. This would be about a two-week long festival. That is all I have by the way of background briefing.

Question : Will there be any bilateral between President Bush and the Prime Minister and any other bilaterals between the Prime Minister and other Heads of Government of CIS countries?

Additional Secretary (Eurasia) : The stay of various leaders is short and it does not overlap or coincide with each other except for the timing of the events connected with the 60th Anniversary. The bilaterals that Prime Minister might be having during his stay in Moscow would also reflect our special relationship with CIS countries. We are working on the bilaterals. As per the convenience of the Prime Minister, the time availability, we hope to have two or maybe even three bilaterals.

Question : Any bilaterals with the Central Asian leaders?

Additional Secretary (Eurasia) : There could be such bilaterals.

Official Spokesperson : We will keep you informed on the bilaterals as these things are confirmed. As you know, on the margins of the multilateral meetings these things happen at the last moment depending on the scheduling of the two leaders. So, we will keep coming back to that.

Question : When President Putin had come, I think a timeframe of four months was set for signing the Confidentiality Agreement. Has there been any progress on that front?

Additional Secretary (Eurasia) : No timeframes of four months or six months were set for any of the topics under discussion. But yes, there was a commitment to have a series of meetings between India and Russia and they have been held, both on WTO as well as on Intellectual Property Rights. In fact, the recent meeting was during the Defence Secretary's visit to Moscow, which was only about ten days back as you know.

Question : In the bilateral with President Putin, would you kindly enlighten any of the thrust areas? We understand it is continuance of what has been going on. But could you tell us what are the thrust areas?

Additional Secretary (Eurasia) : Well, there are a number of areas which India and Russia have identified together. As I mentioned to you, energy is one, IT is the other, banking is the third one. These are the sectors in which we see a lot of complementarities and lot of possibilities of going forward. So, we expect some of these areas to come up for discussion besides many others, of course, during the bilaterals.

Question : Any MoU expected to be signed?

Additional Secretary (Eurasia) : This is not a bilateral visit in the strict sense of the word. So, there are no agreements slated to be signed during the visit.



604. Statement by Prime Minister Dr. Manmohan Singh before his departure for Moscow.

New Delhi, May 8, 2005.

The Prime Minister, Dr. Manmohan Singh, left for Moscow today to participate in the 60th anniversary of 'Victory Day'. Dr. Singh is likely to meet the Presidents of Kazakhstan, Tajikstan and Romania, apart from holding discussions with the Russian President, Vladmir Putin. Following is the statement made by the Prime Minister on his departure to Moscow:

"I am leaving for Moscow to participate in the commemorative events being organised by the Russian Federation to mark the 60th Anniversary of 'Victory Day'. India will be present along with several important countries at this commemorative event.

On this occasion, we recall the immense sacrifices made by Russia and other allied countries in defeating the forces Fascism and Nazism in the Second World War. Several thousand Indian troops also laid down their lives in this cause.

We attach the highest importance to our relations with Russia, which has been a tried and tested friend, and has stood by us in times of need. I look forward to my meeting with President Vladimir Putin in Moscow. Our discussions will aim to build upon the successful visit of President Putin to India in December last year and the common objective we share of further consolidating our relations of strategic partnership. The high momentum that characterizes our relations will be further demonstrated by the fact that the Rashtrapathiji will be paying a State Visit to the Russian Federation later this month.

I also hope to use the opportunity of this occasion to have meetings with a number of leaders who will be in Moscow, including with the Presidents of Kazakhstan, Tajikistan and Romania."



605. Media briefing by Official Spokesperson on Prime Minister's engagements in Moscow on the day of his arrival.

Moscow, May 8, 2005.

Official Spokesperson : This evening, after arrival in Moscow, the Prime Minister has held his two scheduled bilateral meetings. They were with President Rakhmonov of Tajikistan followed by meeting with President Nazarbayev of Kazakhstan. Both meetings were extremely cordial and friendly and essentially focussed on India's growing role in Central Asia as well as in the two countries.

President of Tajikistan, referred to India's role in infrastructure building. The Prime Minister offered all of India's expertise in infrastructure building particularly, for instance, in information technology, road-building projects and so on. He said that in India President Rakhmonov was highly respected as somebody who is doing a tremendous job of building up the nation of Tajikistan in a democratic, secular manner.

They also invited, both the Presidents invited, Prime Minister Dr. Manmohan Singh to visit their countries so that the process of economic cooperation could be taken forward in the next few months.

The discussions with both President Rakhmonov and President Nazarbayev also involved a review of regional issues and international issues. Amongst the international issues, of particular interest were the reforms that the international community now is expecting in the UN. That includes the reforms in the UN Security Council. India is seen as a very strong candidate for permanent membership of the Security Council by both countries and this fact came out during the discussions.



606. Media briefing by National Security Advisor M.K. Narayanan, India's Ambassador to Russia Kanwal Sibal and Foreign Secretary Shyam Saran on Prime Minister's discussions in Moscow.

Moscow, May 9, 2005.

Official Spokesperson : Good afternoon, everybody. I would like to welcome ex-Foreign Secretary and Ambassador Sibal here for this evening's briefing. The NSA will first address the press.

National Security Advisor : I would like to apologise for being late, but I think our meeting with President Putin took much longer than was expected. I also want to prefer an apology in advance because we have to rush as soon as this interaction is over and that will have to be shorter than what I thought it could be.

So, without much more wastage of time, I will briefly cover the Prime Minister's meeting with President Putin, which has been a very important one. In some ways the meeting was far more productive than what we had anticipated that it might be. This you could judge by the fact that it went well beyond the stipulated thirty minutes. It went on up to 40 to 45 minutes. If you consider the fact that there were a limited number of bilateral meetings and with very very important leaders, you can understand the significance of what took place.

Very briefly I would like to mention that the ambience was excellent. The meeting between the President and our Prime Minister was extremely warm and cordial. I would particularly like to stress the fact that while welcoming our Prime Minister, President Putin made a very significant remark. He said that while there were many guests in Moscow, there was only one India. He mentioned that a couple of times. After that he said he was looking forward to the visit of our President later this month, and on more than one occasion referred to the Prime Minister's visit, the annual meeting between the Prime Minister of India and the President of Russia later. I think the Prime Minister has more or less given an indication that he would come over in November this year.

Coming to the contents of the discussion, I think both leaders had a wide-ranging discussion on the state of our bilateral relations. Considering

the fact that there are no contentious issues between the two countries, this was, therefore, a win-win kind of a discussion that took place. One particular point that was raised was the fact that the content of our economic relations certainly did not seem to mirror the nature of our strategic relationship. Therefore, as a result of that it was decided to set up a Joint Study Group that would study the feasibility of a Comprehensive Economic Cooperation Agreement between India and Russia. The suggestion came from the Prime Minister, and it was warmly welcomed by President Putin.

Energy, of course, played a very important role in the discussion. Our Prime Minister expressed our happiness and appreciation at the support that Russia is giving for the Koodankulam Nuclear Power Plant and said that we were highly appreciative of this considering our problems with regard to our energy needs. There was also a suggestion that the area of cooperation could be expanded and would be expanded. Many of these issues would feature in the assessment that President Putin said that he would take it up almost immediately after the festivities are over. Sooner rather than later we can expect certain concrete results as a result of this¹.

Cooperation in space-related activities was also stressed. The fact that the agreement on Glasnost has been signed and we are working further to enhance cooperation in the sector was talked about.

President Putin was particularly, I would say, positive in extending support of the Russian Government to Indian companies investing in the Russian energy sector, and build upon the investment that OVL has made in the Sakhalin Project and related matters.

I would ask, of course, Ambassador Sibal and the Foreign Secretary to speak now, but the basic point that President Putin made on more than

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1. Indian Ambassador Kanwal Sibal told journalists the previous day that New Delhi was planning investments worth a "few billion dollars" in Russia's energy sector. He said India and Russia were looking at their energy relationship in a "strategic context." Referring to the decision taken by Mr. Putin and Prime Minister Manmohan Singh to conclude an intellectual property agreement on defence technology transfers Sibal said the Russian side had given up its insistence on "retrospective application" of the agreement. This would make it possible to conclude the document in the next couple of months. The agreement is expected to give India access to Russia's high end defence technologies. On the all important question of spares for the Russian-supplied defence equipment, the Ambassador said that the two sides had set up a joint company recently in India to supply spares. "The issue of product support is critical to our relationship", he felt. Referring to another issue of Russian concern - Moscow's accession to the WTO - he said the accord was ready to be signed.

one occasion during the course of the dialogue was that all issues between India and Russia would be addressed in the spirit of the special relations that existed between the two countries. He said, in the context of relations with various countries etc that Russia always stood by India and that Russia will always stand by India. He underlined this particularly.

As I said, there was a reiteration of the invitation to our Prime Minister to visit Russia later this year as part of the annual summit meetings. He particularly stressed the fact that he will look forward to the President's visit later this month. That is as far as this meeting goes.

I might also just bring you up-to-date on discussions - not discussions but informal exchanges – that took place between our Prime Minister and the Heads of some of the other countries who have come here, in particular President Bush, President Hu Jintao, President Chirac, President Klaus of the Czech Republic and others.

In most of the cases there was a kind of a spontaneous reaction from these leaders about the nature of the relationship with India. President Bush went out of his way to express the hope that the forthcoming visit of the Indian Prime Minister would lead on to great things, and that issues that related to our concerns in energy and other matters would be suitably addressed, and more or less made it clear that they were hoping for great things to arise as a result.

President Chirac was similarly appreciative of what we needed to do and then he said that he would help.

On the whole I would say, before I defer to what Ambassador Sibal might say, that if there was something which I would say as a great day as a result of this visit, I think you have had it. This is not a visit that our Prime Minister made only for a ceremonial occasion. It has turned out to be a highly productive one.

Ambassador of India to Russia : There is nothing that I can really add to this except to say that President Putin was looking forward to the visits of our President and our Prime Minister. This is one of the two occasions this year when we will be able to discuss further the implementation of many of the issues that were discussed between our Prime Minister and President Putin.

As NSA has said, there was focus on our trade and economic relationship with both sides noting that this was not at the level at which it should be. Therefore, our Prime Minister took the initiative to suggest the setting up of a Joint Study Group to examine the feasibility of a CECA. As you know, such Study Groups have been set up with China and Japan and with Singapore and with Sri Lanka. We found in those cases that the reports that come out are comprehensive, are detailed, they pinpoint the areas in which decisions need to be taken to actually reach a situation where trade and investment and cooperation in the area of services can increase. So, the Joint Study Group will cover the whole gamut of possible economic cooperation, covering trade, services and investment. There was also a reference to the need to promote high-tech cooperation. One possible area also is aerospace.

The President also, as we have had occasion to gather earlier, was very happy with the visit that he had made to India. So, he recalled with great warmth, as he said, his own visit and the very substantive discussions he had had in India. The whole gamut of issues was discussed with him. It was almost as if it was a bilateral visit. In fact, I was mentioning it to the NSA that if it had been a bilateral visit, a summit, the agenda and the quality of discussions would have been the same. So, defence, IPR, economic issues, energy, space, use of India's debt to Russia and terrorism - all these issues figured in the conversation. It was agreed that the two sides will expand cooperation in all the areas that have been identified. There will be an effort to remove deficiencies where they exist.

One point that was noted, just to reinforce what NSA has said, that President Putin underlined that cooperation with India is based on, as he said, high level of trust. In addition to the meetings with President Bush and President Chirac, not meetings but exchanges, the Prime Minister also had exchanges with Schroeder and with Koizumi.

Question : Can you give us a sense of what exactly the Prime Minister talked about when he spoke to the various world leaders? In particular, did he discuss UNSC reform with President Putin?

National Security Advisor : I think during the Putin visit this subject did not come up at all. I think there were very weighty matters being discussed with regard to, as I said, strategic matters and things like that.

Question : Do not you think that is weighty enough?

National Security Advisor : No, I mean, there are weightier matters perhaps in terms of what the two countries want to do. Certainly if we have had another 15 minutes or 20 minutes, since we had already had a time overrun, I think this matter did not come up. I think in the exchanges that were taking place across the lunch table, I do not think an opportunity really existed. Since I was not at the lunch, I cannot say definitively, but would presume to say that this was not discussed.

Indian Ambassador in Russia : I might add that with Russia we do not have to do that kind of advocacy. Russia supports our permanent membership in the Security Council and the P-5 leader who is on record in Delhi to have even supported India's membership with veto powers. So, if the subject was not mentioned, it is simply because Russia has supported.

Foreign Secretary : May I just add that, as you know, the Prime Minister had two meetings yesterday - one with the President of Tajikistan as well as the President of Kazakhstan. In those two meetings, the question of UN reform was raised and in that context both the leaders reaffirmed and reiterated their support for India's candidature to the United Nations Security Council as a permanent member.

Question : Is it going to mean nuclear fuel to Tarapore, or is it going mean additional reactors? Can you give us some details of what might be expected?

National Security Advisor : The discussion ranged really over energy cooperation and was not purely concentrated on civilian nuclear cooperation. As I said, the Prime Minister did bring up the issue of Koodankulam. He was appreciative of it. If any further opportunities were available that would be done. The President was extremely forthcoming with regard to that. On the question of nuclear supplies to Tarapore and other issues, these are already in the pipeline. These were issues, which have already been raised. They were touched upon. The President has said that after the festivities are over, he would look at each one of these problems and issues.

Question : You want to take a more positive view about that?

National Security Advisor : Our Prime Minister did mention to the President that the Cabinet has passed this Bill and it would probably be introduced in

the Parliament in the next couple days and it would be passed. Therefore, issues that existed previously would no longer exist within a month's time.



607. Media briefing by Prime Minister on board Special Aircraft while returning from Russia.

On Board the Flight Air Force 1, May 10, 2005.

Opening Remarks

Friends,

I was in Moscow for an occasion of great solemnity and significance. The 60th anniversary, yesterday, of Victory Day, when the forces of fascism and Nazism were defeated in Europe, was a day of historical resonance. It is an occasion of significance for us in India as well, since over 2 million Indian men contributed to this effort, and several thousand Indian lives were lost in attaining the final victory over fascism. The international order as we have known it arose from that historic event, whose seminal significance has become apparent even as the order itself has changed and become more fluid.

The pain of the country, which has lost more than 26 million people to war, is deep and real even today. I felt honoured by the invitation extended by President Putin to be here in Moscow and to pay tribute to the courage and bravery of the people of Russia whose suffering during the years of the Second World War was unparalleled. I know how poignant is the observance of Victory Day in Russia, and I was moved by the grief and emotion this event still arouses.

India being asked to participate in this very solemn observance is reflective of the close relations that characterize our ties with this great country. India-Russia relations encompass every area of interaction between States and are indeed privileged. This was so in the past and I am happy to say that it continues to be even truer today. I met President Putin yesterday and it was an occasion for a very substantial review of our ties. I appreciate the fact that he took time out on this very busy day for him, for a bilateral

meeting at which we discussed several important developments since our last meeting in New Delhi in December. You have been briefed about the subjects that we covered already. Let me say that it was an extremely warm and positive meeting, though brief. President Putin told me that India is special for Russia. I reciprocated his sentiments and I look forward to a longer and a much more comprehensive discussion later this year when we hold our annual summit.

I also used the opportunity of the presence in Moscow of our Central Asian neighbours to meet the Presidents of Tajikistan and Kazakhstan. I am convinced Central Asia is not only of great strategic importance but equally so given our historical and civilization ties. We need to invest a great deal of attention in developing strong and many-dimensional ties with our Central Asian neighbours. These were my first meetings with President Rakhmanov of Tajikistan and with President Nazarbaev of Kazakhstan. I was impressed by their desire and determination to deepen engagement with India. We discussed existing cooperation and agreed that we need to do a great deal more. I intend to follow this up in a systematic manner so that we broaden the base of our interaction, both economic and political and use the potential that exists

I also called on the President of Romania yesterday. President Basescu expressed the warmest of sentiments for India and reiterated his country's support for India being a permanent member of the UN Security Council in the context of the ongoing UN reform process. We discussed the rapidly growing Indian investments in this country and the potential for stronger economic ties.

Occasions like this visit also offer an opportunity to meet and interact with other world leaders. I had brief meetings on the margins of the commemorative ceremony with President Bush and spoke about my visit to the US later in the summer, and also discussed recent international events and bilateral relations with President Chirac, President Hu Jintao, President Klaus, Chancellor Schroeder, Prime Minister Koizumi, Prime Minister Erdogan and several others. International engagement is an ongoing process, and one to which I attach high importance.

MODERATOR: We have circulated the opening remarks. If you have any questions you are welcome.

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Question : Mr. Prime Minister, you have also had opportunity to meet Mr. Kofi Annan, the UN Secretary General yesterday. Could you elaborate on your discussions with him?

Prime Minister : Our discussions related to development in our neighbourhood, our relations with Nepal, our relations with Myanmar and also the general state of what is going to happen in the UN General Assembly when it meets later this year.

Question : What about the issue of UN reform and Mr. Kofi Annan's view on this?

Prime Minister : I think what he told us in Delhi was that this reform movement is gathering momentum. But, one should not minimize the hurdles on the way too.

Question : Mr. Prime Minister, the United States is the only country which has so far not said anything about our permanent candidature of UNSC. Given the fact that we have such close relations with the US and a strategic partnership too, do you not think it is a little strange that of all of the P-5, it is the US which has said nothing so far about India's candidature while they support Japan publicly?

Prime Minister : This is true. The United States has not taken a public position. There is nothing more that I can say about that.

Question : There have been reports that before you left from ASEAN, there was a meeting and the arms aid to Nepal was being started?

Prime Minister : Arms aid to Nepal are continuously under review. We have very close, intimate relations. Nepal is our closest neighbour. What happens there has implications for us. So, this question has been kept under constant review.

Question : But you have not taken a decision so far? No decision to resume arms aid is in the pipeline?

Prime Minister : I think it is possible. Whatever is in the pipeline, we cannot hold it back for a long time.

Question : Mr. Prime Minister, after your meeting in Jakarta with King

Gyanendra, he came out and he said something to the press. Do you feel that you were ambushed by the King after your meeting in Jakarta?

Prime Minister : I would not like to comment on the meeting that I had. I had a very good meeting with His Majesty. What I told him, I have already shared with you people. My advice to His Majesty was that he should restart the political process, outline a roadmap which would bring back democracy to Nepal, that our conviction was that constitutional monarchy and multiparty democracy are the twin pillars of the Nepalese polity, and that both these pillars must be strengthened and work in harmony with each other.

Question : Mr. Prime Minister, given the choice that India would get a seat on the UN Security Council, will you still insist on a veto if it comes to a point where veto or no veto?

Prime Minister : Let me say that there is no use counting the chickens before they are roosted. There are many problems on the way. I think I would not minimize the difficulties. International relations beyond a certain point are power relations. And we know that the power in the world is not equally distributed. Therefore, one has to reckon with all the power equations. We are trying that. I would not like to minimize the hurdles that are still on the way before we reach the goal.

Question : Mr. Prime Minister, on the 2nd of June there is going to be the first ever trilateral meeting, a separate trilateral meeting, between India, Russia and China. What importance do you attach to this meeting? What kind of signal do you want to send to the rest of the world?

Prime Minister : There are immense possibilities of cooperation. My Government's approach is to enlarge the concentric circle in which we work together with like-minded countries to take advantage of the forces unleashed by globalisation. Therefore, the tripartite meeting at the Foreign Ministers' level is a positive step forward which would - it is essentially an essay in mutual comprehension to understand each others' concerns and how we can, wherever possible, work together in this increasingly inter-dependent one world which cannot be separated into fragments any longer.

Question : Could energy cooperation be an issue for the trilateral meeting?

Prime Minister: Energy cooperation is an important issue. India's needs for commercial energy are going to rise very steeply. We have a large

expanding market and there are on the other hand producing countries like Russia. Therefore, if we can work out a suitable arrangement where the two sides can work together, that is all to the good.

Question : What is the agenda for your trip to the US that is scheduled in July?

Prime Minister : I have an invitation from the President of the United States. Our relations with the United States are very good. We have no bilateral tensions in our relations. It is very important for the United States, given its importance in the world affairs, to be supportive of India's aspirations. Therefore, this meeting of mine with President Bush would be an attempt on our part to find out new areas where our two countries can work together.

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Question : Now that there is a new Government in Iraq, are you going to review India's relationship with it? And are we going to engage with it further?

Prime Minister : We would like Iraq to return to stability, peace and democratic way of doing business. I had sent a letter of congratulations to Prime Minister Dr. Jaafari. I have in that letter said that we are waiting to work together with the Government and the people of Iraq. We deal with the problems of rehabilitation, reconstruction and development. But we have the Parliament resolution. That will be the guiding principle of what we can do and what we cannot do.

Question : About the Constitution in Iraq, are we going to help them or are we going to wait for that?

Prime Minister : We are not going to impose ourselves. But, if anybody asks us for help, I think what we are doing in our country, we are a federal structure and the Indian political system, I believe, has something to tell about the future direction of change in all societies with a multicultural, multi-ethnic multi-religious face. If somebody asks us, we would be very happy to help them.

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Question : Are you talking to the Hurriyat or is that shelved for ever? There is one more question with it. Are you at all concerned about President

Musharraf's constant focus on Kashmir after returning from here?

Prime Minister : Let me say that I had stated repeatedly that I am willing to talk to Hurriyat or to anybody else. If they want to talk to us and shun the path of violence, our doors are open to them. I have received several times feelers that they want to come. I had said, and I repeat it publicly, that our doors are open for discussions with all segments of public opinion, those which are represented in the political process of Jammu and Kashmir and also those who are outside the political process. So, there is no mental reservation on my part.

As far as what General Musharraf has said in Pakistan, I have not kept myself fully informed. But I think the two of us have signed a Joint Statement and that I believe is the intention of both our parties to ensure that the peace process is truly made irreversible.

Question : Do you really feel that he has had a change of heart, General Musharraf?

Prime Minister : I am not very good at reading people's hearts.

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608. Joint statement issued at the end of the State Visit of President Dr A.P.J. Abdul Kalam to the Russian Federation.

Moscow, May 26, 2005.

At the invitation of the President of the Russian Federation Mr Vladimir V. Putin, the President of India Dr A.P.J. Abdul Kalam paid a State visit to the Russian Federation on May 22-25, 2005.

During the visit, the President of India held detailed discussions with the President of the Russian Federation. The President of India also met the Prime Minister of the Russian Federation Mr Mikail Fradkov, and Chairman of the State Duma of the Federal Assembly of the Russian Federation Mr. Boris Gryzlov, and also visited Saint Petersburg on May 25,

2005 where he met the Governor of Saint Petersburg Mme Valentina Matvienko. During the visit, the President of India also visited the Russian Academy of Sciences, Moscow State University, Sukhoi Design Bureau and NPO Mashinostroyenia. While in St. Petersburg, the President of India visited Laser Technology Institute and Arctic and Antarctica Research Institute.

The President of the Republic of India and the President of the Russian Federation discussed a broad range of issues of bilateral cooperation. They also exchanged views on regional and international developments of mutual interest. The two leaders emphasised that the traditionally close and friendly relations between India and the Russian Federation were characterized by stability and continuity, based on deep mutual trust, understanding and warmth. They expressed satisfaction that Indo-Russian relationship had successfully withstood the test of time. Both Sides noted that the strategic partnership between them served their long-term national interests, provided the impetus to enhance their multifaceted bilateral cooperation and contributed to regional and international peace and security. It was noted that the views of the two countries on most international issues were identical or similar. Assessing India as an important member of the international community, the Russian Federation reaffirmed its support to India as a deserving and strong candidate for the permanent membership of the UN Security Council.

The President of India and the President of the Russian Federation noted with satisfaction that intensive contacts between the two countries at highest political, inter-agency and other levels were being maintained. The fruitful practice of holding annual bilateral summits between the two countries and the role this played in the consolidation and expansion of their strategic ties was noted with appreciation.

At the meetings, they reviewed the progress in the implementation of agreements reached during the official visit of the President of the Russian Federation Mt Vladimir V. Putin to India in December 2004. They expressed satisfaction at the existing wide ranging bilateral ties, including in key areas such as science and technology, peaceful uses of atomic energy and outer space and defence. They agreed that the potential to further deepen cooperation in these areas would be realized through joint efforts. They

also exchanged views on new promising areas for the expansion of their bilateral cooperation.

The visit of the President of India has become a new major step at the highest level to the progressive consolidation of Indo-Russian strategic partnership.



609. Joint Communique issued on the results of the informal trilateral meeting of the Foreign Ministers of India, Russia and China.

Vladivostok, June 2, 2005.

Please See Document No. 294.

Please also see Document No. 293 for Minister Natwar Singh's statement on arrival at Vladivostok for the meeting with the Russian and Chinese Foreign Ministers. (June 1, 2005)



610. Media briefing by Official Spokesperson on the meeting between Prime Minister Dr. Manmohan Singh and Russian President Vladimir Putin on the sidelines of the UN General Assembly Session.

New York, September 15, 2005.

Later in the afternoon (September 15), there was a meeting between Prime Minister and President Putin of Russia. It was a cordial meeting during which Prime Minister thanked President Putin for Russia's support for India's candidature to the permanent membership of the UNSC, for Russia's support to India's participation in the ITER project, and also for the Observer status in the Shanghai Cooperation Organization, which we received this year.

Prime Minister on his part said that the strategic relationship between India and Russia was based on the fact that Russia was a tried and tested friend for a very long time, and that is what was the basis of this strategic and cooperative relationship. He also mentioned that the economic relationship did not reflect the full potential of the relationship and efforts should be made to address this. In particular he mentioned that it had been proposed to set up a Joint Study Group between India and Russia, which could look at the possibilities of completing a comprehensive economic cooperation agreement between the two countries. The terms of reference, which were proposed by India had been sent to Russia and we were awaiting their response.

President Putin responded by saying that this was a brilliant idea and that they will respond. In fact he said that we should try and see if this can be in place before the next summit meeting between the two leaders when Prime Minister visits Russia in December. He also said that he was looking forward to receiving the Prime Minister for the annual meeting in December in Moscow later this year.

Other areas that were discussed included cooperation in science and technology for which also there is a longstanding tradition of friendship between the two countries. Strengthening of cooperation in this area was again fully endorsed by President Putin.

Prime Minister also informed President Putin about his July visit to the United States and the agreement between India and the United States

for cooperation in civilian nuclear energy. He hoped that such an agreement would now move towards removal of restriction on India's access to civilian nuclear energy, particularly in the context of moving towards relaxation of the rules of the Nuclear Suppliers Group of which Russia is a member. In this context he also recalled that India and Russia are already cooperating in the field of nuclear energy including the Kudankulam project which is nearing completion.

President Putin congratulated the Prime Minister on his July visit to the United States and said that this would create a more positive climate for cooperation in civilian nuclear energy. The two leaders also discussed on-going defence cooperation between the two countries and committed themselves to further strengthening this. In this context, the proposed visit of Russia's Defence Minister for meeting of the High-Level Defence Group also came in for reference. There are other high-level visits expected from Russia including that of Prime Minister of Russia and the Speaker of the Upper House of the Russian Parliament. Also expected is the meeting of the Inter-Governmental Commission between Russia and India in the coming months.

They also discussed UN reforms and regional issues including Iran. Both sides agreed that confrontation needs to be avoided, and there should be a full play given to exploring all diplomatic ways of resolving the issue. These were the two bilaterals today.



611. Press release on the meeting between External Affairs Minister K. Natwar Singh, Chinese Foreign Minister Li Zhaoxing and Russian Foreign Minister Sergei Lavrov.

New York, September 20, 2005.

External Affairs Minister, Natwar Singh, Chinese Foreign Minister Li Zhaoxing and Russian Foreign Minister, Sergei Lavrov, met together this morning at the Chinese Permanent Mission in New York for their annual trilateral meeting during the UNGA session¹.

The Foreign Ministers recalled their successful stand alone meeting at Vladivostok in June 2005 and agreed to have the next meeting in New Delhi in 2006 at a mutually convenient date. They endorsed the proposal, made by India, to convene a trilateral Business Conference, which could coincide, if possible, with the meeting of the Foreign Ministers.

External Affairs Minister congratulated the Chinese and Russian Foreign Ministers, on the successful outcome of the 6-Party Talks on the DPRK nuclear issue and applauded the role they had played in this regard.

The Chinese Foreign Minister welcomed India's participation in the Shanghai Cooperation Organisation and said that this provided yet another forum for the 3 countries to strengthen their trilateral cooperation in various fields. The 3 Foreign Ministers agreed that challenges of terrorism and drug trafficking, which have been on the agenda of the trilateral meetings, should also be pursued under the aegis of the Shanghai Cooperation Organisation².

1. On September 13 in New York during the visit of the Prime Minister for the UN General Assembly session, at a media briefing the Foreign Secretary was asked about the significance of the Trilateral meetings and he said:

Foreign Secretary : As you know, this has now become a regular feature. We have been having these trilateral meetings on the sidelines of the UN General Assembly for the past few years now. And this is in that tradition. With regard to the kind of issues that they will be discussing, there will be the aspect of multilateralism and in that respect the very topical issues which are there in front of the UN General Assembly at its Sixtieth Session including the entire issue of UN reform in which all three countries are very interested. There is the aspect of multilateralism, which we have committed ourselves to and we have said that we need to work together to reinforce multilateralism. We have tried to give economic dimension to this trilateral cooperation by talking about the need for us to work together on, for example, energy; and for working jointly together for energy development, for example, in Central Asia. We also tried to bring in the business element into this. There is an agreement that we should try and organize a trilateral business forum as well. So, there are a number of dimensions to this cooperation, which are emerging.

2. While India's stress had been on economic cooperation at the trilateral level, Russia as part

The External Affairs Minister identified energy cooperation as a significant area of cooperation among the 3 countries. The Chinese and Russian Foreign Ministers welcomed the initiative taken by India to convene a Round Table Conference of North and Central Asian Oil Supplies and Principal Buyers in New Delhi on 25th November, 2005 and confirmed that their Ministers in charge of Oil and Natural Gas would participate. They agreed that such a forum would provide an opportunity to explore cooperation in a vital sector both on a trilateral basis as well as in the larger region of Central and North Asia.

The Foreign Ministers reviewed progress on UN reform, including Security Council reform. They welcomed the Outcome Document, but agreed that considerable follow up work was required in implementing the different aspects of reform incorporated in the Document. They agreed to work together closely in this regard.

The Ministers reviewed the latest developments on the Iranian nuclear issue. They expressed their preference for a consensus approach and have agreed that their delegations at the IAEA in Vienna should remain in close touch and work together.

The External Affairs Minister and the Russian Foreign Minister thanked their Chinese counterpart for hosting the trilateral meeting and extending warm and friendly hospitality to the participating delegations.

The meeting proceeded in a cordial and friendly atmosphere.



of the Shanghai Cooperation Organisation for the first time talked in terms of military cooperation as well. Chief of the Russian General Staff Yuri Baluyevsky told *the Hindu* in Moscow on the eve of the Prime Minister's visit to Russia in December "Our goal is to organize such multi-country military exercises (with both India and China) within the framework of the Shanghai Cooperation Organization." The General said "our relations with the neighbours in the west and east are based on mutual interests. We have mutual interests with India and China, including in the sharing of defence skills and experience." However, the General was at pains "to dispel any fears that the SCO is acquiring any functions of a military organization." Gen. Baluyevsky said "the exercises, we are planning will be directed at preventing and combating acts of terrorism and eliminating their consequences."

612. Media briefing by Official Spokesperson on the call by Secretary of the Security Council of the Russian Federation Igor Ivanov on Minister for External Affairs K. Natwar Singh.

New Delhi, October 22, 2005.

Official Spokesperson: Secretary of the Security Council of the Russian Federation Mr. Igor Ivanov called on External Affairs Minister this forenoon. He also met the NSA later. They (EAM and Mr. Ivanov) exchanged views about bilateral relations, trade, defence relations and the forthcoming India-Russia Joint Commission Meeting to be held on October 26 for which External Affairs Minister is going to Moscow.

They also discussed the Shanghai Cooperation Organization Summit to be held at the same time, which will be attended by External Affairs Minister. They also spoke about the recent visit of the Russian Defence Minister who witnessed the joint Indo-Russian air and naval exercises. It was a very useful meeting held in a cordial and warm atmosphere, which marks meetings between Indian and Russian dignitaries.



613. Press statement by External Affairs Minister K. Natwar Singh after Indo-Russian Inter-governmental Commission meeting.

Moscow, October 26, 2005.

We have just concluded the 11th session of our bilateral Inter-Governmental Commission. The five Working Groups of the IRIGC have met over the past year and their deliberations were reviewed in today's session. Deputy Prime Minister Zhukov and I exchanged our assessments on the working of the Commission to make it even more effective and result-oriented. The composition of our two delegations is a good indication of the interest on both sides to deepen and expand our trade and economic cooperation in all its aspects. We recognize that while our political ties are excellent, the relationship on the economic side needs new impetus to match

up to the immense potential that remains untapped. This is also a subject that has received constant attention at the highest political level.

Our two economies are consistently growing, offering new opportunities on both sides. We believe that business-to-business contacts will play an increasingly important role. However, the role of our two governments remains significant to make concrete and visible progress. We are developing the traditional areas of our long-standing economic engagement. At the same time, some new areas having great contemporary relevance in Indo-Russian partnership deserve greater substantive joint action. Such areas include information technology, biotechnology, commercialization of Russian or jointly developed technologies and some frontier areas of S&T. The results would no doubt be to mutual benefit.

As regards some specific areas, we have made progress on Russia's entry into WTO which we strongly support. We are actively discussing the issue of utilization of Rupee debt funds for investments in projects in India and Russia.

An important area that holds great promise in the India-Russia context is energy security. Russia is one of the largest producers of oil and gas, and India is a rapidly growing energy market. A lot of work has already been done at the inter-governmental and company-to-company levels. We need to go beyond our large investment in Sakhalin 1. India is technically equipped and financially capable and willing to jointly work with Russia to make our energy cooperation an important and mutually beneficial dimension of our strategic partnership. This is a high priority field and, we expect concrete results in the near future.

Cooperation in banking and transportation sectors needs to be further strengthened in order to sustain and accelerate progress in trade and investments. In a normal and healthy economic relationship there is no substitute for direct and regular business-to-business contacts. We are actively encouraging this trend. An early conclusion of our agreement on business visa facilitation will go a long way in effectively promoting this aspect.

Our Prime Minister is visiting Russia in December this year for the next annual Summit. It is our hope that the many initiatives taken in the last

one year under the IRIGC will converge towards a successful conclusion by the time of the December summit.



614. Statement by External Affairs Minister K. Natwar Singh to the media on arrival in Moscow.

Moscow, October 27, 2005.

I am delighted to be back in Moscow. I was graciously received by President Putin today at his Novo Ogorovo Dacha Residence. We discussed the priority areas of our relationship and the progress registered to be made on important issues by the time of the next Indo-Russian Summit in early December. We shared satisfaction at our long-standing excellent political ties. We also briefly touched upon some economic matters of immediate relevance in the context of our overall strategic partnership. Earlier today, I visited MGIMO to address the faculty and students there on "India-Russia: Partnership in the new millennium". The young student community, many of them future Russian diplomats, was quite enthusiastic on the future of Indo-Russian relations.

Yesterday I co-chaired the 11th session of our economic Inter-Governmental Commission with Russian Deputy Prime Minister Zhukov. It was a comprehensive discussion covering a wide range of bilateral trade and economic matters. The current trade turnover remains much below potential. DPM Zhukov and I emphasized the role of the Commission in promoting economic engagement to mutual benefit. In the post-1991 period, Indo-Russian economic relations have been greatly transformed. The economic reforms have obviously enhanced the role of the business sector in this relationship. However, the two governments remain keen in actively facilitating contacts and creating conditions for closer interaction aimed at greater trade and investments. While traditional areas require further impetus, we have identified some new areas for substantive joint action, like information technology, biotechnology, commercialization of Russian or jointly developed technologies and some frontier areas of S&T. There is shared commitment to moving forward in these fields. Some important specific issues include Russia's entry into WTO which we support and we

are making progress. We are also actively determining ways and means to utilize the residual Rupee debt for investments in projects in India and Russia. Expert level negotiations are currently underway. We jointly hope that this would add to the basis for further steps on the economic side. Energy security is yet another area of great promise. The reasons are obvious.

Russia is one of the largest producers of oil and gas, and India is a rapidly growing energy market. There is close interaction at the inter-governmental and company to company levels in this field. While Indian participation in Sakhalin-I has demonstrated our joint capabilities and mutuality of interests, we are fully prepared with our technical and financial resources to expand our presence in the Russian energy sector. We hope that energy cooperation would emerge as a strong pillar of our strategic partnership. Civilian nuclear energy, military-technical cooperation and space are other priority areas for continued high level attention.

Yesterday I also attended the meeting of the Council of Heads of Governments of Shanghai Cooperation Organization. Within SCO, we are ready to actively participate in cooperation in areas such as counter-terrorism, fight against illegal drugs, disaster management as well as in the economic field, including energy and transportation. On the sidelines, I had the opportunity to also interact with Chinese PM Wen Jiabao and Iranian First Vice President Mr. Parviz Dawoodi.

I am meeting Foreign Minister Lavrov tomorrow.

Our Prime Minister is visiting Russia in December this year for the next annual Summit.



615. Speech by External Affairs Minister K. Natwar Singh at Moscow State Institute of International Relations on “India - Russia: A Partnership for the New Millennium”.

Moscow, October 27, 2005.

Ambassador Anatoly Torkunov, Rector of the Moscow State Institute of International Relations,

Distinguished Faculty, scholars and students,

Ladies and gentlemen

I am indeed grateful to you for inviting me to your prestigious Institute which has, over the years, acquired the reputation of being the most outstanding institution in Russia for preparing diplomats and specialists in international relations. I believe my distinguished Russian colleague, Foreign Minister Sergei Lavrov, is also an alumnus of this Institute.

I have learnt that MGIMO not only trains diplomats but also does research in and teaches courses in history, economics, law, culture, literature and foreign languages. Your Institute is thus self-contained to produce fully equipped specialists ready to join the world of international diplomacy. The world today faces a number of complex problems and new challenges. To deal with them, we need well equipped and more specialized diplomatic professionals with a more comprehensive understanding of international relations. I congratulate the leadership and the teaching community of MGIMO for setting high goals in this field and achieving them.

I speak today on “India- Russia: A Partnership for the New Millennium”. But I cannot do that without recalling that the foundation of our relations was laid almost a century ago. I would like to go back to the visit of Pandit Nehru to Russia in 1927. He had come here with his father Motilal Nehru to attend the tenth anniversary of the October Socialist Revolution. Whatever judgement history may reserve of the past, on that three-day visit Pandit Nehru was impressed by the role of the State in the modernization of a country and in assuming social responsibilities, a philosophy which guided his leadership of independent India.

The year 2005 marks the 50th anniversary of the first visit of Pandit Nehru to the Soviet Union as Prime Minister. Mrs. Indira Gandhi visited

Russia no less than ten times and Rajiv Gandhi maintained the tradition of regular contacts at the highest levels. Your country has been a staunch friend of India all these years, contributing to the development of many key sectors of the Indian economy, particularly in the field of heavy industry and proved that "a true friend is someone who walks in when the whole world walks out". This rich legacy of long-standing cooperation served our two countries immensely when we began to redefine our relations in 1991 after the emergence of Russia as a successor to the Soviet Union.

Relations between India and Russia are today best described as a Strategic Partnership, a much used and therefore devalued term, but in our case expressing a solid reality. We are strategic partners because our national interests coincide in many substantive ways. The international situation has changed beyond recognition since the end of the Cold War but our relations have remained steady and stable. There is no other example of two large countries with dis-similar history, culture and traditions, language and religion as well as ethnic composition maintaining such cordial understanding and such community of interest for so long. This is so because there is a national consensus in both countries that strong friendship and cooperation is in our mutual, long-term interest. Yet, even a strong relationship needs to be nurtured as international relations are dynamic in nature and a constant consolidation and expansion of ties is a necessity. For that a key pre-requisite is regular dialogue. We have done very well in this regard. Since the year 2000 we have had regular annual summit level meetings between the Prime Minister of India and the President of Russia. In the last one year we have had a number of high level visits.

President Putin made a successful visit to India in December last year. Our Prime Minister Dr Manmohan Singh visited Moscow on May 9 for the 60th anniversary celebrations of the end of the 2nd World War. The President of India Dr APJ Abdul Kalam paid a state visit to Russia later in the same month. At the invitation of President Putin, UPA Chairperson Mrs Sonia Gandhi visited Russia in June this year. Our Prime Minister and President Putin have met each other on two more occasions this year on the margins of multilateral events. The Russian Defence Minister has just returned from India where he attended a major Indo-Russian military exercise. The Head of Russia's Security Council was in India last week. Our own Defence Minister is coming here next month. I have now been to Russia three times in the last few months, for the trilateral India-Russia-

China meeting at Vladivostok, for Mrs. Sonia Gandhi's visit and now for the Indo-Russian Inter-Governmental Commission on Trade and Economic Development.

Our dialogue is substantive as it covers besides bilateral relations, several issues of global concern. The existing world order is a transitional one between the end of the Cold War and the emergence of a new order that is just, fair and equitable based on international law and respect for sovereign countries, big or small. Cooperative multi-polarity should be the foundation of such an order. The United Nations, which reflects multilateralism, needs to be reformed, including the Security Council, to make it in tune with contemporary global realities. Short term considerations and rivalries should not stand in the way of the crucial longer term need for reform in order to strengthen multilateralism on which there is a global consensus. We are grateful for Russia's continued support for India's candidature for permanent membership of the restructured Security Council.

There is no doubt that international terrorism has become a matter of grave concern to the international community. But even now the approach is sometimes selective and self-centered, an unwillingness to recognize that the networks of terrorism are interlinked globally. It is like an octopus with many tentacles and cutting off only some does not eliminate the dangerous core. For over two decades India has suffered from terrorism supported by external forces. Russia too has suffered grievously from the menace. We cooperate both bilaterally and internationally in the fight against terrorism. We share the approach that it must be fought collectively, resolutely and consistently, without any double standards. Our Foreign Ministry level bilateral Working Group on Countering International Terrorism has been a useful instrument for cooperation. There is a strong need to establish an effective international legal basis to deal with terrorism, with universal application. In this context, India and Russia have worked together on two major Conventions. We welcome the adoption earlier this year of the Russian-sponsored International Convention on Suppression of Acts of Nuclear Terrorism. We now look forward to an early adoption of the India-sponsored draft Comprehensive Convention on International Terrorism. It is a matter of urgent collective responsibility.

The threat to international peace and stability from weapons of mass destruction has acquired a new edge with the use of the phenomenon of

terrorism. India has always been strongly in favour of non-proliferation and has worked actively, inside and outside the United Nations, especially during the Cold War against the spread of nuclear weapons. Unlike some countries, India has scrupulously prevented the spread of nuclear technologies for strategic, political, economic or ideological reasons. India is a rational and responsible nuclear weapon state. India exercised its nuclear weapons option because of its own strategic compulsions, faced with the enduring reality of nuclear weapons in our neighbourhood. Our weapon capability is not directed against any country or countries. In our strategic vision it is a weapon of credible and effective deterrence. India also adheres to the principle of 'No First Use'.

The peaceful uses of nuclear energy, primarily for electricity generation, remains crucial to economic and social development of many countries, including India. It can provide environmentally sustainable energy security. The need for ensuring access to nuclear technologies and materials for peaceful purposes is, therefore, as important as preventing proliferation of sensitive technologies and materials. With increasing uncertainties about supplies of natural gas and oil, nuclear energy is becoming more and more important. We are firmly convinced that expansion of our nuclear power industry is critical to our development. Given our impeccable record on non-proliferation, international cooperation for the development of our civilian nuclear energy sector should be extended without any fear of undermining the global non-proliferation regime.

Peaceful uses of nuclear energy is an area of strategic importance in relations between India and Russia. Two Nuclear Power Plant units of 1000 MW each are under construction with Russian assistance at Kudankulam in India. While steps are being taken in India to further expand our own nuclear energy generation capabilities, international cooperation remains important. It is India's expectation that regimes like the Nuclear Suppliers Group would show a better appreciation of India's non-proliferation record and its genuine energy requirements. India is keen to expand cooperation with Russia in the field of peaceful uses of nuclear energy. Our own dialogue with the United States on the subject has led to a far reaching change in their attitude and countries like Britain and Canada have also signaled willingness to open the door for nuclear energy cooperation with India.

India's economy has consistently registered impressive growth rates in recent years so has the Russian economy. There is no reason for our bilateral economic relations to remain stagnant. What stands out in our overall partnership is that while our political relations are on a very firm and solid footing, the economic aspect is weak. The present level of our trade and economic cooperation is far from the true potential of our two economies. Our economic relations should be made into an important pillar of our strategic partnership.

The Inter-Governmental Commission to promote bilateral trade and economic cooperation is an important vehicle to comprehensively discuss the entire gamut of our economic engagement. I co-chaired the Commission meeting yesterday with Deputy Prime Minister Zhukov. We hope that our joint efforts would yield concrete results in the coming months. As a new initiative, we are also planning to set up a Joint Study Group for exploring the feasibility of concluding a bilateral Comprehensive Economic Cooperation Agreement (CECA).

While we should continue to jointly explore practical measures to enhance India's traditional exports such as tobacco, tea, coffee and textiles to Russia, there is also the need to focus on new areas on both sides. India's capabilities in Information Technologies and Biotechnology are considerable. It is possible to combine Indian and Russian strengths in these areas to mutual advantage.

Strengthening inter-banking cooperation is a priority in order to promote trade and investment. Indian banks have begun to establish themselves here and we would welcome Russian banks in India. We are close to extending the scope of utilization of rupee debt funds to include investment by Russian companies in projects in India.

We should work on improved transport linkages between our countries in the years ahead. The North-South international transport corridor is of particular significance as it can greatly reduce transit time and shipping costs.

I would stress the need to strengthen business to business interaction between our two countries. The information gap that currently exists between us can be filled by greater contact on the ground, especially as we are moving away from State directed trade to the dynamics of the market. Both sides should remove hurdles that stand in the way of such contacts and, I

would, mention in particular the need to facilitate the grant of visas to our businessmen.

Russia is among the world's leading producers and suppliers of oil and gas. India is one of the largest and fastest growing markets for energy. You have the resources, we have the need. It should not, therefore, be difficult to work together in the area of bilateral energy security, particularly in the context of Russian G-8 presidency with energy security as a main theme at the G-8 St. Petersburg Summit 2006. India's investment in Sakhalin-I demonstrates our willingness and capacity to make large investments in Russia's energy sector. There is an intensive bilateral dialogue already underway both at the government and company to company level and we hope that concrete progress will be registered in the months ahead. There are prospects also for bilateral cooperation through participation of Russian oil & gas companies in India's energy sector as well as working together in oil and gas projects in third countries, not to mention Russian participation in pipeline projects in our region which we would welcome.

Our long-standing defence cooperation underpins the strategic nature of our ties. A major part of the inventories of the armed forces of India is of Russian origin. Our defence cooperation is essentially based on India's legitimate security requirements and is not directed against any country. Our acquisition in recent years of the aircraft carrier Admiral Gorshkov, T-90 tanks, frigates and Sukhoi-30 aircraft marks a consolidation of our defence ties. We should, in coming years, move forward from a mere buyer/seller relationship to technology transfer as well as joint design, development, production and marketing. The outstanding example of the application of this approach is the Brahmos Missile developed by an Indo-Russian joint venture.

Cooperation in Science & Technology holds great promise in the years ahead. The Integrated Long Term Programme is our largest S&T international cooperation programme with any country. We should now look at joint research projects in the frontier areas of biotechnology, information technology and nanotechnology as a special initiative in the field of science and technology. A major goal of our S&T cooperation should be the commercialisation of Russian technologies or those developed through joint effort. It has recently been agreed to set up a jointly funded Indo-Russian Technology Centre in Moscow for commercialisation of technologies.

Peaceful exploitation and use of outer Space is a traditionally important area of our cooperation. Our first generation space satellites in the 70's and 80's were launched from a Soviet facility. India has since developed its own launch capabilities. Russian cryogenic engines were an important element in our Geo-Stationary Satellite Launch Vehicle (GSLV) programme. India has made significant progress in satellite technology and satellite applications. India's participation in Russia's Glonass satellite navigation system is of particular importance. During his visit to Moscow in May this year, our President proposed the joint development of a youth satellite for educational purposes. This would be an imaginative initiative to implement with the Moscow State University as a partner.

It always strikes me how positive a role culture can play in cementing ties between countries at the popular level when I meet Russian friends, they recall with fondness and nostalgia the Indian films they saw when they were young. There is deep interest all over Russia in Indian music and dance, literature, language, philosophy and in special areas such as Yoga and Ayurveda. A few weeks ago, "Days of India in Russia" were successfully held in Moscow and three other Russian cities. I have been told that the events found resonance among Russian audiences. This is very encouraging. Similarly, there is great interest in Russian arts in India and perhaps the public feels a little deprived, in recent years, of the pleasure of witnessing superb Russian classical and folk dances and Russian circuses. Our two countries have agreed to celebrate the Year of Russia in India in 2008 and the Year of India in Russia in 2009.

I wish to conclude by saying that this millennium holds great promise for a burgeoning India-Russia relationship. The opportunities and challenges before us in the years ahead are many and we can mutually reinforce each other in dealing with them. Our friendship has been tested over five decades and we cooperate with each other willingly, freely, without pressure and in enlightened self-interest. Russia has stood by us in difficult times and so has India stood by Russia. As India grows stronger, it can become an even better partner as our interests are compatible. I am convinced that the further strengthening of our partnership would serve as a significant factor in promoting peace, security and stability regionally and globally.



616. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and the Russian President Putin in Moscow.

New Delhi, October 27, 2005.

External Affairs Minister had one hour fifteen minute call on President Putin of Russia. This also included a tête-à-tête between External Affairs Minister and President Putin¹ and also delegation level call (talks). Besides an overall review of bilateral relations multilateral cooperation as well as international issues, the two sides also discussed the forthcoming visit of Raksha Mantriji (Defence Minister) to Moscow as well as that of Prime Minister in December this year. They reviewed positively the results of India-Russia Inter Governmental Commission as well as the defence relations between the two countries. They also reviewed the cooperation particularly in the energy sector and said that at the political level doors were fully open for such cooperation. They also discussed the possible utilization of Rupee Debt for Russian investments in India. The Meeting was held at President Putin's Dacha at Nova-Ogarevo in the country.



1. After his meeting with President Putin, External Affairs Minister said "Russia is helping India indeed in the Nuclear Suppliers Group (NSG)." He specifically mentioned a recent NSG meeting in Vienna where India's case was discussed. "Russia as well as the United States helped us at the Vienna meeting," said Natwar Singh. Mr. Singh told newsmen that nuclear energy had been identified as a priority area of India-Russia cooperation along with defence and space. "We hope energy cooperation will emerge as a strong pillar of our strategic partnership," Singh said. "We are fully prepared both technologically and financially to expand our presence in the Russian energy sector," External Affairs Minister said. He said a detailed plan to intensify India-Russia engagement in the energy sphere should be ready by the next bilateral summit in early December when the Prime Minister Manmohan Singh visited Russia. Regarding Iran the Minister said the issue of Iran's nuclear programme came up "briefly" for discussion "in the context of International Atomic Energy Agency."

617. Press release of the Embassy of India in Moscow on the meeting of External Affairs Minister K. Natwar Singh with the Foreign Minister of Russia.

Moscow, October 28, 2005.

EAM Shri Natwar Singh had an hour-long meeting with the Russian Foreign Minister Sergei Lavrov today morning (28 October). In the meeting, there was a comprehensive review of Indo-Russian bilateral relations, the SCO Heads of Government meeting which recently took place on 26 October in Moscow, Iran's nuclear issue, forthcoming meeting of the trilateral grouping of India-Russia and China and UN reform. The first topic on the bilateral agenda was the forthcoming summit meeting between Prime Minister Dr. Manmohan Singh and President Putin, which is to take place in Moscow in December 2005. It was agreed that the two sides would work closely together to put together the various agreements in the areas of the use of Rupee debt funds, Russia's accession to the WTO, intellectual property rights in military technical cooperation, facilitation of visas for businessmen and other ordinary passport holders and illegal drug trafficking.

The two sides also reviewed the recent meeting of the Indo-Russian Intergovernmental Commission on 26 October and referred to the need to further increase cooperation in trade & economic areas and science and technology.

The two Foreign Ministers exchanged views on working within the Shanghai Cooperation Organization (SCO) framework. The Russian Foreign Minister explained that the SCO is working towards enabling arrangements such that observers could participate more effectively. EAM expressed India's readiness to participate fully within the SCO framework to promote trade and economic development and to counter international terrorism.

On the Iran nuclear issue, the two sides agreed that this matter should be discussed within the IAEA and that the situation should not be allowed to escalate to a point where the process of dialogue is stopped.

With regard to working of the Nuclear Suppliers Group, Russian FM assured the Indian side that they are mindful of India's impeccable record on non-proliferation. Reference was also made to legislation passed in India, which strictly controls exports of any sensitive technology and materials. In

this connection, it was felt that exception could be made for India in terms of norms observed by the Nuclear Suppliers Group. The Russian side indicated that cooperation between India and Russia in the field of civilian nuclear energy could be expanded.

In respect of the trilateral grouping of India-Russia and China, it was agreed that the next meeting could take place in New Delhi in March 2006 and the business level meetings could also take place at the same time. In this context, it was felt that energy and transportation could be two key topics for these consultations.

On the topic of UN reform, it was felt that further consultations would continue on both functioning of the UN and expansion of the UNSC. The Russian side supports India's candidature for permanent membership of the UNSC.



618. Briefing points by Official Spokesperson on telephone conversation between External Affairs Minister and Russian Foreign Minister.

New Delhi, November 4, 2005.

Russian Foreign Minister Sergei Lavrov telephoned External Affairs Minister Natwar Singh today and discussed the following points:

- review of bilateral relations and follow-up to the recent Joint Commission Meeting.
- meeting of Foreign Ministers of Russia, China, and India in March 2006 in India which will also be followed by the meeting of business delegations of the three countries.
- the IAEA vote on Iran. Russian Foreign Minister informed EAM that they were in touch with the EU-3, China, US and Iran and would keep us informed. He also said that all efforts would be made to reach a consensus on the issue.



619. Media briefing by Foreign Secretary Shyam Saran on Prime Minister Dr. Manmohan Singh's visit to Russia.

New Delhi, December 2, 2005.

Official Spokesperson (Shri Navtej Sarna) : Good evening ladies and gentlemen. It is a privilege to have Foreign Secretary here today to brief you on the forthcoming visit of the Prime Minister to Russia from 4th to 7th. I request the Foreign Secretary to brief you after which we will take questions.

Foreign Secretary (Shri Shyam Saran) : Thank you very much.

Good evening to all of you. Prime Minister will be paying an official visit to Russia from the 4th to the 7th of December. This is one in the series of annual bilateral summits that we have been having for the past several years. As you are aware, President Putin had visited India last year in December. This bilateral summit demonstrates the importance that leaders of both the countries attach to our relationship. In this respect the past year has been quite remarkable because apart from this annual exchange that we are having we have also had several other kind of visits.

If you look at the various visits that have taken place, Prime Minister himself had gone to Moscow to attend the 60th anniversary of the Victory Day that was in May this year. Our President had paid a State visit to Russia from 22nd to the 25th of May. We had the President of the Indian National Congress and the Chairman of the UPA, Shrimati Sonia Gandhi who visited Russia in June. Thereafter, we have had also a number of ministerial level visits. We have had the visit of our former External Affairs Minister to Moscow. We have had the recent visit of our Raksha Mantri to Moscow. We have also had during the year the first stand-alone trilateral meeting among Russia, China and India which was held in Vladivostok.

So, as you can see, it has been a very eventful year in the relationship between India and Russia. As we come to the end of the year it gives us an opportunity to revisit the various important aspects of our relationship and to also chart out the way forward.

During the visit we hope to be able to sign some agreements. One of the agreements is the Intellectual Property Rights Agreement with regard to defence cooperation between the two countries. We also have a Protocol

on the amendment to the defence cooperation agreement. This will be for the plan till 2010.

As you know, between India and Russia we have signed an agreement on Glonass which is the Satellite Navigation System, which has been developed by Russia. There, while we have signed the overall agreement there are a number of side agreements which have to be signed. One of the side agreements is the technology safeguard agreement. That particular agreement will be signed during the visit.

We also have an agreement on Geo-Physical Research Programme. This is between the space agencies. That too is also likely to be signed during the visit. So, we have a number of agreements.

With regard to the substance of the relationship, as you are aware, we have an extremely wide ranging relationship with Russia which has been developed over the years. This encompasses science and technology, defence, trade and economic relations, energy relationship which has become even more important these days.

In terms of these various aspects, what would really be the focus of this visit? One of the areas which will be an important item on the bilateral agenda would be developing a kind of an energy partnership between India and Russia. As you are aware, we have already invested rather heavily in Sakhalin-I which has already started production. We are looking at participation in Sakhalin-III. Discussions are continuing.

In the area of exploration we are looking at the bid with regard to the exploration in India which is under the New Exploration Licensing Policy and also exploration in Russia itself, particularly in Siberia.

On the Russian side there is an interest in participating in the construction of transnational pipelines including the proposed Iran-Pakistan-India pipeline and also the proposed pipeline from Turkmenistan through Afghanistan, Pakistan to India. Russia does have a strong interest in participating in the construction of these pipelines. We are also looking at, perhaps, becoming equity partners in some of the major oil and gas majors in Russia. So, there is a fairly strong interest on both sides – on the Indian side as a consumer and on the Russian side as a producer – in developing a long-term partnership between the two countries and this will certainly be an important area of focus during the visit.

Defence has always been a very important component of the relationship. This particular relationship has also undergone a certain transition because of the change in Russia from what was earlier essentially a State controlled system to a more market-oriented system. This, of course, has had an impact on the defence relationship. But, what I think is important and I think when President Putin had come to India last December I had already drawn attention to this aspect that the India-Russia relationship is now beginning to move from what is essentially a vendor-client relationship, that is India essentially purchasing defence equipment, hardware and technology from Russia, to something which is more in the nature of a partnership where we are looking at, for example, joint research, joint development, joint marketing of products or technology that we jointly develop. One practical demonstration of this is already the Brahmos missile project which has been a very successful example for this kind of partnership.

What we are now looking at is taking this particular new kind of relationship on the defence side to newer areas of cooperation. So, this is something which will be an important aspect during the visit. In this context, the fact that we will be signing the Intellectual Property Rights Agreement between the two countries will be a very important facilitator because this has been one of the key agreements that we have been negotiating for some time and we have now been able to conclude that. This will, in a sense, open the door for much wider cooperation as partners in the defence field. So, these are two important elements that I wanted to draw your attention to.

One of the things that has been a weak point in the relationship between India and Russia in recent years is that while transition has taken place in Russia from basically a State controlled economy to a market economy, India-Russia trade which was based as you would recall on Rupee payment basis - there was essentially a trading relationship between the State-owned firms in Russia as well as State-owned firms in India - that has undergone a change. We have to compete together with other countries for the Russian market which is demanding, which is very cost conscious, which is quality conscious. So, in a sense we have to change the way in which we do business with Russia. The same is true for Russia dealing with the Indian economy. This is where, perhaps, we have not been as successful as we should have been because trade has actually come down between the two countries compared to the old Soviet days. The trade is only about 1.8

billion dollars currently, which if you look at India's trade with other partners whether it is the United States, the European Union, or some of the East-Asian countries, you will find that there is a very dynamic trend in our relations with these countries. And yet, trade with Russia has remained almost stagnant over the past few years.

This is something which both President Putin and Prime Minister Dr. Manmohan Singh have been paying a lot of attention to. How do we change this situation? Now, it has been decided that the two sides will set up a Joint Study Group. This was already agreed upon earlier. But we are looking at the terms of reference for this Joint Study Group. The idea is not only to just look at the possibility of increasing trade but to look at how we can develop a new kind of economic partnership between the two countries. So, this is something which we will be focusing attention on again during the summit.

Here, I would also like to mention that we will be taking a very high-level business delegation from India to Russia. The idea is that there should be greater exposure of our business community to Russia, opportunities for Russian businessmen, for Indian businessmen to really establish personal associations with one another, to learn how to do business with one another. So, this will be an important component of the visit, the business interaction that will be taking place during the visit.

There has been a sense that the business community in India has not perhaps been as aware of the very big opportunities which are opening up in Russia, and vice versa is true as well. The Russian businessmen, especially the new class of entrepreneurs who have come up in Russia are perhaps not aware of the kind of changes, the kind of opportunities which are there in the Indian market. So, there is a need to bridge this information gap. It is very important.

Of course, we also need the infrastructure of trade to be developed. For example, banking relations has been a weak point. So, it is again an encouraging sign that we have Indian banks which are now setting up branches in Russia and we also have a Russian bank which is soon to begin operation in India. So, with this infrastructure of trade also improving we expect that we will have larger trade volumes in the coming years. We are also looking at the aspect of investment, Russian investment, in India and also Indian investment in Russia. This is something that we would like

to encourage. In this respect, the Rupee funds which are available with Russia, with the repayments of the loan, we are looking at the mechanisms that we need to put in place in order to enable these funds to be available for investment in India.

So, as you can see, there is a fairly broad agenda for this summit. With regard to business also we are looking at persuading Russia to also liberalize the visa regime, especially for our business people. But we are also trying to convince our Russian friends that India is a very big source of tourism and a more liberal visa regime could also be very beneficial in terms of encouraging tourist travel between the two countries.

So, as I said, we have a very broad ranging agenda. Because of the fact that we have such a broad ranging agenda and we have a number of areas of interaction, our Russian friends suggested to us, and we have accepted, that perhaps we could make a kind of a checklist of all the various things that we are doing together in different sectors. This checklist would enable us to monitor more carefully the progress that we are making on different issues. This is apparently a mechanism that has been put in place by Russia with some of their other major partners. And they say that this works very well, we are very happy to also try this out in our own relations with Russia.

During the visit we hope to be able to work out this kind of a detailed checklist with very clearly the responsibility which would be set down in the checklist itself as to who would be on the Indian side, responsible to ensure implementation and who would be the person on the Russian side who would be responsible for implementation. The idea is that those who would be responsible would be at a very senior level on both sides. So, this is something which will also be taken up during the visit.

I will stop here. I will be very happy to take some of your questions. Thank you.

Question : You mentioned Protocol on amendment to defence cooperation agreement. What is the amendment that will be incorporated?

Foreign Secretary : As you will see, it is an amendment which extends the Protocol to 2010. There are a number of new areas for cooperation that are being incorporated in this amendment. And also looking at some of the

issues that we need to sort out, this will be looking at some of the longer term arrangements that we need to put in place with regard to supply of equipment and spares and maintenance. So, it is something on which we already have an agreement. It is essentially extending it and expanding it to 2010.

Question : The period is also to be extended...

Foreign Secretary : It does not need to be done now. It is already there till 2010. When we come to the point of extending it beyond 2010, we would certainly do so.

Question : Sir, I have two questions. One, is there going to be any announcement of any defence purchase by India during the visit, as happened during the visit of Prime Minister to France?

Foreign Secretary : As far as announcement of any defence purchases are concerned, no we are not looking at any announcement of any specific defence purchases. As I mentioned to you, we are certainly going to be discussing somewhat longer term defence cooperation relationship. The groundwork for that has already been done during the visit of our Defence Minister to Moscow recently. As you may be aware, we have been discussing with Russia the development of the medium range transport aircraft. We have also been talking about fifth generation multipurpose fighter aircraft. So, there are a number of things that we are looking at together. But we have not come to a point where we are in a position to really announce either purchase or a particular project itself.

Question : On the IPR Agreement does it mean that if India invests in some joint project with Russia and if Russia wants to sell it to a third country, like China, then it will need our permission?

Foreign Secretary : If anything is jointly developed, then in terms of marketing or the transfer of that technology to anybody else naturally has to be in consultation between the two countries.

Question : In that case what are the joint projects that we have with Russia apart from Brahmos?

Foreign Secretary : At the moment we have only Brahmos. But we are certainly looking at some new systems that we could jointly develop.

Question : On the Iran issue, since the Russian proposal is the one which is currently being debated, do you have an update on that?

Foreign Secretary : I have no doubt that when we discuss regional issues, we would perhaps be discussing this issue as well. But as you know, on this issue Russian position and Indian position are almost the same. We have taken the view that this matter should be resolved within the ambit of the IAEA itself. We have also said that we should allow enough time for diplomatic efforts to be made in order to resolve this issue. We welcome the role that Russia is playing in terms of trying to bring about that mutually acceptable understanding. We support it.

Question : Is there a larger role for India within the Russian proposal?

Foreign Secretary : There is really nothing for us to get associated with in terms of the negotiation. We have encouraged, as we have stated earlier, the European Union for example to resume consultations or negotiations with Iran which is likely to take place shortly. We have encouraged Russia to also play a role in terms of finding a mutually acceptable solution. Russia is well placed because Russia, unlike India, already has fairly significant nuclear energy cooperation with Iran. So, it has a certain standing in that respect. We have stated that we respect Iran's right to develop nuclear energy for peaceful purposes. Even in terms of the enrichment it has a certain right. But in terms of exercising that right perhaps a degree of flexibility is possible.

Question : Have we declared Russia a market economy?

Foreign Secretary : Yes, in fact this was done during President Putin's visit in December last year.

Question : On IPR Agreement when it is signed, will it have a clause that if Russia transfers technology to India then India will have to take permission from Russia if wants to sell the product to a third country? What is the status of the nuclear submarine project with Russia?

Foreign Secretary : As far as the IPR agreement is concerned, I think even in the commercial agreements that we have had with Russia in the past, there is a clause that obliges us not to transfer technology that we receive from Russia to third countries without consulting Russia. What we have now is the same kind of commitment which is part and parcel of an

umbrella agreement. By the way, this is a reciprocal agreement. The other project that you have mentioned, I am afraid I have no information about that.

Question : We are having talks with the Russians on admission to the WTO. I think the talks are at an advanced stage. Is there any bilateral meeting in Moscow for this matter with the commitment that we will support Russia's admission into WTO?

Foreign Secretary : In principle we support Russia's admission to the WTO. I think we are currently engaged in negotiations in Geneva with respect to certain specific issues which are of concern to us. For example, the issue of geographical indicators particularly with respect to some commodities which are very critical for India like Darjeeling tea, or Alfonso mangoes. So, we may need a little more time to resolve these pending issues.

Question : Till now have we achieved any progress?

Foreign Secretary : This has been a sort of a work in progress. There were a number of issues which have been successfully resolved in the negotiations that we have had with Russia so far. But there are a few pending issues which are of significant concern to us. So, currently we are engaged in further discussion to try and resolve this.

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Question : Which are the exploration blocks to which India will bid? Which are the Russian oil and gas majors in which India will be interested in?

Foreign Secretary : I think I have already mentioned to you Sakhalin-III where we have an interest. There are some exploration blocks which may be available in the Siberia area, in the far-east area of Russia in which also we have expressed an interest. With regard to equity participation, we have Gazprom which is the natural gas major and Rosneft.

Question : There was a report from Russia which we also carried on our Channel (India TV) yesterday that the Russian authorities have razed a temple. Will this issue be taken up during Prime Minister's visit?

Foreign Secretary : On Krishna Consciousness, the Krishna Consciousness people had raised this issue with us sometime back and

we have taken this up with the Russian authorities. I do not think there has been anything of anti religious sort of measure by Russia. Maybe for some redevelopment they might have decided to take the land from the temple. But this is a matter that we have taken up with the Russian authorities. We hope that in the spirit of the very friendly relations that we have between our two countries, we can find a satisfactory solution to this.

Question : Can you tell us more about the IPR Agreement that we are going to sign with Russia?

Foreign Secretary : There may be some differences of nuances but essentially what it means is that both sides will respect intellectual property rights. Also in the case of Russia there was a question of whatever we agree upon, whether it would have a retrospective application or whether it would have a prospective application. Now that matter has been resolved. It will have prospective application. Of course, the idea is that this should be something which should facilitate what I mentioned to you: joint research, joint development and also joint marketing if that is something which is required. So, it is in line with our own adherence to the international property rights regime. It cannot be deviant from that. So, it is very much in line with the standard intellectual property regime that we are already adhering to. This has a specific purpose of changing our relationship between India and Russia, changing that relationship with one of vendor-client to partners.

Question : Will the India-Pakistan relations be discussed? Where are we on the issue of visas, we had some problems on business visas with Russia?

Foreign Secretary : As far as India-Pakistan relations are concerned, as I mentioned, when two leaders meet they do a review of certain regional issues, they look at certain global issues. Within that framework perhaps yes. Maybe India-Pakistan relations would also be taken up. As far as business visas are concerned, I think I mentioned myself that there is a problem in terms of getting business visas and tourist visa. But we have been negotiating with Russia on a facilitation of tourist and business visa regime. We have more or less finalized that agreement. We hope that we would be able to conclude and sign that sooner rather than later.

Question : ... (inaudible, on India-Russia political relations)...

Foreign Secretary : Obviously there will be a political component. Russia-

India relations have a very strong political character. They always have had a political character. But that is not all the story of India-Russia relations. There are many different aspects of our relationship. What is important is that we recognize Russia having a very important global role to play, a very important regional role to play. I think similarly Russia looks at India as a very important partner both in Asia as well as globally. There are a number of issues on which we have convergent views. You are aware of the fact that Russia has supported India's candidature for permanent membership of the Security Council. This is something which reflects the political character of our relationship.

I think I will stop here because I have some urgent work to do.



620. Statement by Prime Minister Dr. Manmohan Singh prior to his departure for Russia.

New Delhi, December 4, 2005.

My visit to Moscow for the annual Summit-level interaction with President Putin is I believe a signifier of the importance both our countries attach to our relations with each other.

I am honoured that my visit is taking place exactly 50 years after India's first Prime Minister Jawaharlal Nehru paid his landmark visit to the then USSR, setting our two nations on the path of an enduring strategic partnership. This partnership is a cornerstone of India's foreign policy and the declared priority for both our countries. Marked by warmth, trust and mutual confidence, the bilateral relationship is underpinned by a mutuality of interests across the broadest spectrum of cooperation and promotes the shared goal of peace and prosperity for all.

In what will be my fourth meeting with President Putin this year, I look forward to reviewing all key aspects of our relationship. Our defence partnership – by far the most prominent facet of our interaction – continues to grow at a satisfactory pace. We hope to build a similar, long-term partnership in the field of energy security covering a range of energy sources. I will explore with President Putin the means whereby we may enhance

trade and investments and technology cooperation between two of the fastest growing economies of the world.

The India-Russia relationship is an important factor in the creation of a secure and stable multi-polar world. My mission is to work with our Russian friends to reinforce the already strong framework of this very important relationship.



621. Speech by Prime Minister Dr. Manmohan Singh at the Indo-Russian Business Meet.

Moscow, December 5, 2005.

It gives me great pleasure to be in your midst this afternoon. I am glad this opportunity has been created for senior representatives of Indian trade and industry to meet their Russian counterparts. I hope your discussions will provide a much-needed impetus to our economic and commercial engagement.

India and Russia have a time tested relationship marked by close political understanding and convergence of views on all major issues. The economic dimension of our relationship has been historically marked by government facilitated trade and industry. There has been little direct interaction between the leaders of private enterprise of the two countries since in the past, government and state-owned enterprises had a higher profile.

The global and bilateral environment has now changed. The economies of Russia and India have registered GDP growth rates of about 7% in recent years. New potential areas of growth have emerged in both economies and new areas of bilateral cooperation have opened up. Structural reforms in both economies and advances in science and technology have given our respective economies new strengths and capabilities which we should seek to exploit for mutual benefit.

Indian firms are attaining global levels in quality and output. India has become a production base and export hub for a range of products from

agricultural goods to automobile components to high end and IT enabled services. Indian firms are now part of global production chains—importing, sub-assembling, adding value and re-exporting. Corporations from all over the world are establishing themselves in India to take advantage of the pool of high quality scientific talent and work force, in the manufacturing and services sectors.

I would like to place on record the fact that in many areas of India's success story, there is a strong Russian connection. Particularly in the early years of our independence we received valuable assistance from the Soviet Union in the establishment of our infrastructure and heavy industries. We acknowledge with gratitude Russian scientific and technological assistance for progress in several critical areas including in the peaceful uses of space. This long standing, time tested and multifaceted bilateral engagement is the firm base on which can be built the edifice of a deeper and more diversified economic cooperation of the future. We need to make concerted efforts to reinvigorate our economic cooperation and integrate it with market forces. While the political responsibility for expanding ties with other countries is the primary task of governments, business to business relations have become a critical element in the overall architecture of interaction between countries in this age of increasingly de-regulated economies, private sector dynamism and globalization.

Our bilateral trade has so far largely been conducted within the framework of rupee-ruble arrangements but it is moving towards and it will soon be a fully market determined phenomenon. We are currently working on an agreement to permit the utilization of the remaining rupee debt for Russian investments in India. I am hopeful this matter will be finalized shortly. This will put the ball in the court of Indian and Russian businessmen to identify and seize the opportunities for expanding trade and economic cooperation. While the governments will act as facilitators the business community will have to occupy the center stage. Our bilateral trade level of \$ 1.9 billion, according to our figures, does not correspond with the potential of the economies of the two countries and our strategic partnership in other key areas.

Both governments are acutely conscious of this anomaly. There is need to not only stem the decline in trade in traditional items like tea, tobacco, textiles and leather but to also expand the trade basket to include value

added items in areas of applied technologies, information technology, telecommunications, automobile components, gems and jewellery and energy. With our vast resource base and intellectual capital, India and Russia should jointly explore avenues for generating and meeting demands on a regional and global basis.

Banking and financial sectors can provide the necessary framework for growth in bilateral trade. It will also provide the necessary element of confidence to the business communities. The opening of branches and representative offices of banks in each other's country is a positive development. The increase in exposure limits and extension of Lines of Credit also provides the necessary instruments for boosting trade. Joint financing of Indo-Russian projects and development of correspondent relations between financial institutions are the directions for future growth.

Indian and Russian economies have natural areas of synergy. India is ready to share its experience and expertise in setting up Information Technology parks. Besides Russia can import IT products directly from India rather than via Europe. President Putin's visit to Bangalore in November 2004 put into sharp focus the possibilities of cooperation in the IT sector. Now it is up to the business communities to seize the initiative.

The energy sector is a key area of interest. While production has begun in Sakhalin-I, we are keen to diversify our engagement in this sector. Russia's position as the world's second largest producer of energy and India's growing demand for energy resources spells out a natural complementarity between us in this sector. The dialogue between ONGC, GAIL, Rosneft and Gazprom is gradually gaining momentum and we hope to see concrete results soon. The oil and gas companies of India and Russia should consider expanding their joint operations to third countries.

Our government is placing special emphasis on infrastructure development-both urban and rural infrastructure. We have launched ambitious projects for building and upgradation of highways, ports and airport facilities and building of new metros. More Russian firms, with expertise in the relevant areas, must participate in projects in India.

At the 11th session of the Indo-Russian Inter-Governmental Commission on Trade and Economic Cooperation held recently in Moscow, both sides noted that the dynamic growth of the Indian and Russian

economies opened up a wide range of opportunities for bilateral trade and economic cooperation. They took cognizance of the need to step up the modest volume of bilateral trade. Specific sectors were identified, including telecommunications, information technology, electronics, space, biotechnology, nano technology, machinery and equipment, aviation, ship building, tourism, metallurgy, oil and gas, hydro and thermal power, coal, civil nuclear energy and other infrastructure and high tech sectors. Cooperation in these areas can be stepped up through joint efforts. The group also called for early finalization and signing of a liberalized visa regime. Early conclusion of such an agreement will help develop commercial contacts between the two countries. Nevertheless, it is essential that Russian and Indian businessmen maintain a regular dialogue to seize emerging opportunities and identify projects for expanding their operations.

India-Russia economic cooperation has extended to the multilateral fora. Both countries support strengthening of rule based, non-discriminatory multilateral institutions and in that context India supports accession of Russia to the WTO.

India and Russia have developed unique bonds of friendship and cooperation over many decades. Our shared political perspectives, convergence of strategic interests and our cultural affinities have been the foundation stones of our strategic partnership. A multifaceted economic partnership will underpin more securely our traditionally close relationship. The role of the business community to build a stable and strong economic partnership is very important.

I wish your deliberations every success.



622. Speech by Prime Minister Dr. Manmohan Singh accepting the title of 'Professor Honoris Causa' at the Moscow State University.

Moscow, December 5, 2005.

"I am deeply honoured to receive the title of 'Professor Honoris Causa' from this prestigious institution, which is the oldest University of Russia. As a former University teacher, I deem it a signal honour to be here today. Your great university is named after a distinguished Russian scholar and scientist, Academician Mikhail Lomonosov. He was truly a luminous personality on the intellectual firmament of modern Russia. Intellectual giants such as Lomonosov contributed to making Russia the great nation it is today. I salute their contribution to this great country, and indeed to all humanity.

For me, the honour you have done me has special value because our beloved Prime Ministers, Pandit Jawaharlal Nehru and Indira Gandhi are among the Indians who were similarly honoured. Both were true friends of the Russian people. They established the firm foundation upon which our enduring relationship was built. In his letters written in the 1930s to his teenage daughter Indira, Jawaharlal Nehru paid tribute to the literary and artistic heritage of Russia and to the genius of the Russian people. He extolled Russian ballet, Russian art and above all, Russian literature. He was profoundly influenced by Gogol, Dostoevsky, Chekov, Gorky and, of course, Leo Tolstoy, whom he described as "perhaps the greatest of them all... a genius at writing novels, but also a religious and spiritual leader whose influence was far-reaching". Every Indian knows of the abiding friendship between Tolstoy and Mahatma Gandhi. We have all admired the works of such great Russians as Pushkin, Tchaikovsky, Tarkovsky and Eisenstein.

This great centre of learning has played a cardinal role in building Russia's strength, particularly its scientific and technological capabilities. The long and distinguished history of your University is impressive. It is not surprising that your university should have produced great Nobel laureates like Nikolai Semionov, Igor Tamm, Ilya Frank, Leo Landau and Pyotr Kapitza. The Rector of this University, Academician Sadovnichy, is himself a world-renowned scientist in the field of informatics and applied mathematics. This testifies to the great intellectual and academic traditions of this institution.

The scientific and technological achievements of the Russian people have been an inspiration the world over. As a student of economics I have admired the work of such great Russian economists as the Nobel Laureates, Wassily Leontief and Leonid Kantorovich. Many Indian scientists, social scientists, technologists, doctors, artists, film makers and professionals in many other fields have also been inspired by the work of their Russian counterparts.

Since independence, we in India have invested in the development of our human resources through investment in education. India is today home to many Universities and institutions, which have been recognised the world over.

We have established competencies in disciplines such as medicine, engineering and technology, management and the humanities. We are working to further expand these assets to meet the requirements of our rapidly developing economy. In this context, Indo-Russian co-operation has a long history, and we attach great importance to this partnership. I am therefore very glad that the scientific communities of our two countries are engaged today in further building upon this strong tradition.

The emerging capabilities and strengths of our scientists have opened new areas in frontier fields, such as biotechnology, information technology and nano-technology. These fields have proven to be revolutionary in their impact, and there is great scope for expanded co-operation between India and Russia in these fields. The areas where they converge should be the object of joint research by the scientists of our two countries as developments in these areas will have a crucial impact on our lives in the future. I am happy that joint projects are now being actively developed by our two countries in these new areas. I am delighted that, as part of our expanding co-operation in this field, we have agreed to set up a jointly funded Science and Technology Centre in Moscow to facilitate commercialisation of technologies to mutual benefit.

The Moscow State University, I know, has long-standing linkages with India. Over the years, several hundred students from India have graduated from this University. As the strategic partnership between India and Russia gains strength, the interaction between the academic communities of both countries should also grow. We should evolve new mechanisms to fund new programmes for post-doctoral and doctoral research and for visiting faculty.

We are ready, on our side, to support this increased academic exchange. However, I am concerned by the fact that the range and intensity of contact between Indian and Russian scholars and scientists has declined in recent years. President Putin and I are committed to reversing this trend. We would like to see a much higher flow of scientists, young scholars and researchers between our two countries. I believe that many institutions in India are now very exciting places for young researchers. I hope some of you here will feel motivated to come and pursue studies and research in our institutions. There is, I believe, a compelling need in both our countries to foster a new generation of scholars committed to the study of both countries and become conversant with the dramatic changes taking place in our respective countries.

The 21st century will be predicated on knowledge, as much as the 19th century was based on access to raw materials and human labour, while in the 20th century, it was all about industrialization. Nation-States will compete in the knowledge domain and hence the development of human resources acquires ever-increasing greater relevance. Thus, demographic characteristics, the ratio of the young population to the ageing and the reproductive index will acquire a greater strategic significance.

Russia's greatest asset is that it has a rich tradition of human creativity and scientific and technological ingenuity. India is developing these capabilities and will have the largest pool of young people in the foreseeable future. Russia and India have their own distinctive characteristics and areas of both advantage and vulnerability in the long cycle of the present century. Clearly, there is great potential here for a strategic partnership in the knowledge-based sectors between India and Russia.

Both Russia and India are currently engaged in dealing with the challenge of globalisation. We face the dual challenge of meeting the needs of our people at home while facing competition from the world outside. There is much we can learn from each other, just as there is much we can do together while facing a brave new world of opportunities and challenges. The evolving global system requires better and more equitable management and needs more effective institutions to enable this. Russia and India can and must work together, with other like-minded countries, in dealing with global challenges. Be it the challenge of preserving and protecting the environment, the challenge of fighting disease and pandemics, the challenge

of combating terrorism or the challenge of preserving a democratic way of life by strengthening open societies and open economies.

Our commitment to democratic values and practices means there are many concerns and perceptions that we share with Russia. India and Russia are nations that reflect a wide spectrum of diversity being multi ethnic, multi religious, multi lingual and multi cultural. Both nations have a federal structure. The core challenge for both of us is to improve socio-economic opportunities and indicators for the more vulnerable sections of our societies. We need to ensure an equitable socio-political and socio-economic framework for our minorities through the democratic dispensation.

Our most important common concern is the threat of terrorism. Open societies such as ours are today threatened more than ever before by the rise of terrorism. The very openness of our societies makes us more vulnerable, and yet we must deal effectively with the threat without losing the openness we so value and cherish. India and Russia have both suffered grievously from terrorism and we have been working together to fight it. We know that those who resort to terror often clothe it in the garb of real or imaginary grievances. We categorically affirm that no cause justifies resort to terror.

Democracies provide legitimate means for expressing dissent. They provide the right to engage in political activity, and must continue to do so. However, for this very reason, they cannot afford to be soft on terror. Terrorism exploits the freedom our open societies provide to destroy our freedoms. Russia and India must work together in all possible forums to counter terrorism in all its forms and manifestations. We cannot be selective. We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere.

The structure of the global economy is changing and so is the structure of global power and politics. Our young people must pay attention to what is happening in the world and how our countries must adapt to a new and changing reality. Indeed, I hope young Russians will once again look at India and discover the new face of India. I know many of your senior faculty may still hum the tunes of *Awara*¹ and may still be nostalgic about Raj Kapoor¹! But I want you, dear students, to come and discover a new

1. Indian feature film "vagabond," produced by Raj Kapoor.

generation of Raj Kapoors and the new music that your generation in India taps its feet to. India today is a land of great creativity and enterprise, where new forms of artistic and cultural expression are blossoming. There is a need for a new generation of Indians and Russians to rediscover each other.

This renewal is essential even though our friendship is deep and enduring. It is no exaggeration to assert that there are no contemporary international issues over which we have a difference of opinion between our countries. Ours is a time-tested friendship that has fostered trust and understanding. This is a solid foundation on which we must build anew. But of late, people-to-people, business-to-business contact has been far below potential, and certainly way below what our friendship warrants. Our Governments, our businesses and our civil society institutions must pay attention to address this imbalance.

Some of the areas in which we can and must work together and more closely include energy and space. We in India have always derived comfort from Russia's strong and enduring commitment to our economic development and prosperity. Today, as India's economic growth rate accelerates, our need for energy is increasing exponentially. Russia has been an important partner in our strategy for energy security. However, there is much more that we must do together. We must initiate an Energy Dialogue between experts and policymakers in our two countries to widen and deepen our cooperation in this field. Energy security is an important challenge of the 21st Century and Russia and India can work together in this field.

Similarly, space is an area where we have complementary capabilities. While Russia is far ahead of us in space launch and space voyages, we have new capabilities in satellite technology that can contribute to the commercial viability of your space programme. Working together in space is a win-win proposition.

The one message I wish to leave behind for you is that we must renew, rediscover, and re-engage at a societal level. I want young Russians to discover how lively our society is, how exciting our cities are, how interesting our heritage sites are, and how warmly our people regard our Russian friends. I would also like you to discover how engaging our students, scholars and researchers are. India is an ancient civilization, but a young

nation. Perhaps the youngest in the world in terms of our demographic profile. Come listen to the heartbeat of a new India. You will find yourself in step with it.

I listened with great interest areas of co-operation between Indian University and the Moscow State University. These need to be multiplied multi-fold. The Government of India will fully support all initiatives to that end.

I once again thank you, Academician Sadovnichy, and members of the Scientific Council of the University to give me the opportunity to be amongst you today. I greatly cherish the honour you have conferred upon me. I wish you all the very best in your endeavours for even greater achievements by your esteemed University. May your path be blessed.”



623. Opening remarks by Prime Minister Dr. Manmohan Singh at Joint Press Interaction with President Putin.

Moscow, December 6, 2005.

Prime Minister Dr. Manmohan Singh: Mr. President, you have our deep appreciation for the warm welcome that has been extended to me and the Indian Delegation. We now have a well-established practice of annual Summit level meetings. The last six months have also witnessed an unprecedented exchange of visits between our two countries including those by the President of India and the Chairperson of the UPA Smt. Gandhi. My visit has been preceded by the meetings of the Joint Commission on Trade and Economic Cooperation as well as the Joint Commission on Military Technical Cooperation, which we view as two important pillars of our relations.

I am happy to convey that discussions with President Putin today were extremely useful and productive. Our strategic partnership with Russia is characterized by trust and mutual confidence. Personally, I greatly value President Putin's own commitment to the consolidation of our bilateral relations. Our strategic partnership is based on a deep and abiding

convergence of our vital national interests. This is a strong impetus for India and Russia to work together on key issues of the day.

I conveyed to President Putin that we cannot be satisfied with the status quo. Our objective is to anticipate what measures we need to take to meet new and emerging opportunities for further strengthening of our strategic partnership, in meeting our respective national priorities as well as in pooling of our efforts in sharing global responsibilities.

India and Russia are large economies, experiencing rapid economic growth. There is thus vast potential for expanding our trade and economic relations even as we integrate with and take advantage of the opportunities offered by globalization. It is with this forward looking perspective that we have agreed to set up a Joint Study Group to examine the feasibility of a Comprehensive Economic Cooperation Agreement between our two countries. I have assured President Putin of India's support for Russia's accession to WTO. The bilateral Accession Agreement will be concluded at the earliest.

My senior colleague and Defence Minister Shri Pranab Mukherjee visited Moscow for the Joint Commission for Military Technical Cooperation which met in Moscow last month. A comprehensive review was undertaken of our longstanding relations with Russia which occupies a special place as the leading supplier of military hardware to our Armed Forces. Our perspective, however, is to move towards collaborative projects involving design, development and production of the next generation military products. India and Russia have identified the Medium Range Transport Aircraft and the Fifth Generation Aircraft as two such projects, and we will continue expert level discussions on them. We are happy that the long awaited IPR Agreement on Military-Technical Cooperation has been concluded today.

We see energy security as an area of tremendous potential. India has made its most important overseas investment in the Sakhalin-I project, which has already come on stream. We are looking at other joint projects in Russia. The Kudankulam Nuclear Power Station in Tamil Nadu, which is being constructed with Russian assistance will be commissioned in 2007-08. We see Russia as a vital partner in furthering the objective of full civil nuclear cooperation between India and the international community. We

feel that there is vast potential for the expansion of cooperation in this area, given India's growing energy requirements and the importance of nuclear energy as a clean and viable alternative energy source.

Our discussion on regional and international issues demonstrated once again a meeting of minds. We have a common objection of creating an international equilibrium based on a just and equitable world order. There is hardly an international issue whose solution can be found without Russia's active involvement and contribution. This is a tribute to President Putin's leadership of this great country. I would like to thank him once again for his personal commitment for promotion of relations with India.

I have invited President Putin to visit India and I am happy to state that he has accepted this invitation.



624. Speech by Prime Minister Dr. Manmohan Singh at the banquet hosted by President of Russian Federation Vladimir Putin.

Moscow, December 6, 2005.

Thank you for your warm welcome and words of sincere friendship. My wife and I are truly honoured and happy to be here. It is a privilege to experience the warm hospitality and affection of the most generous First Couple of Russia. To be among cherished friends is always heartwarming. Mr. President, I fully reciprocate the warm sentiments that you have expressed today. We in India value your friendship and regard.

Fifty years ago, our first Prime Minister Jawaharlal Nehru visited this great city and laid the foundation of an abiding friendship – a friendship based on mutual trust and confidence. Today on that foundation stands an impressive edifice. Today we share an even stronger bond. We admire your far-sighted and committed leadership in reinforcing this structure and thank you for the personal attention you have devoted to the rejuvenation and deepening of this relationship. I am convinced that we will find even greater convergence in our efforts as we move forward. I have no hesitation

in saying that communication between our two great nations has never been so clear and lively.

It is fitting to recall the crucial assistance we received from Russia in India's emergence as a country with a fully developed industrial base. There is no significant sector of our national endeavour in which we have not benefited from Russia.

Today as before, Russia is a valued strategic partner. Our relationship has adapted very successfully and productively to current requirements. But what we will do together in partnership draws on the legacy of cooperating for mutual benefit. Our strategic relationship is based on political consensus in both countries. Despite the historic transformations underway in both countries, the essence of our partnership has not been diluted. The number of sectors of our cooperation has expanded and the terms of our interaction have evolved. The friendship our people bear for the Russian people endures.

We draw strength from the multi-cultural, and diverse character of our respective societies. These values and ideals allow us to understand each other's concerns and aspirations and encourage us to work together in multilateral forums in pursuit of common objectives. We are united in our support for a multi-polar world, and in our resolve to root out the menace of international terrorism.

Our economic prosperity and mutual interest lie in closer partnership in trade, investment, joint research and development, in taking full advantage of the opportunities available in an increasingly inter-connected and globalized world. Energy security is a priority area for future cooperation, as are the frontier areas of science.

I am confident our cooperation in the coming year will be another significant landmark in the history of our bilateral relations, taking our traditional friendship to greater heights.

I request you to join me in a toast to:

- the health and well-being of Their Excellencies the President and First Lady of the Russian Federation;

- the further strengthening of the multi faceted cooperation between India and Russia; and
- everlasting friendship between our two countries and peoples.



625. Statement by Prime Minister Dr. Manmohan Singh at the end of his visit to Russia.

Moscow, December 7, 2005.

The main theme of my visit to Russia was to prompt a comprehensive re-engagement between our two countries. We all know about the backdrop of a close and broad-based relationship between India and Russia that has encompassed a variety of fields. In recent years however it seemed that the sense of there being new potential to discover or new ground to measure was no longer as evident.

My intention during this visit was to identify, together with President Putin, those areas in which our two countries could rediscover the potential for mutually beneficial co-operation and so give new momentum to this relationship. Underlying this objective was the conviction that while the international climate has changed, the centrality of India's relations with Russia remains indispensable to the core of our foreign policy. More than ever before it is a factor of peace and stability in international affairs.

The most important element of my visit to Moscow was my meeting with President Putin. I am grateful for the warmth of the reception I received from President Putin and for the time we spent in reviewing the bilateral agenda. I underlined to the President that the support we have received from Russia in the past has been a source of strength and confidence and the special nature of this relationship is something we continue to value. Not only are there no disputes between our countries, we share significant areas of commonality. Both our countries view the world in a like manner and my discussion with President Putin reinforced that belief. Similarly, we have the same aspirations for taking our strategic partnership to new heights, and to orient it to the needs of our time.

As I said in my statement following my meeting with President Putin, we went over the entire bilateral agenda and agreed on time bound steps to deal with issues that are pressing and important. I am glad that during our discussion, we were able to set out a practical and achievable agenda for action in the days ahead. This includes steps to enhance bilateral trade and investment, to deal with consular issues, co-operation in high technology areas, in culture, in defence in well nigh all fields of interaction.

My other engagements in Moscow included a visit to the renowned and historic Moscow State University. I was honoured with an honorary professorship, which I take as a tribute to a tradition of scholarship that has bound India and Russia. I was impressed, both at the Moscow University and in my meeting with Indologists and India Studies Scholars on December 5 with the range and depth of the knowledge of India – including contemporary issues – among Russian scholars. They remain a resource for the India-Russia relationship and we would like to encourage their efforts in our own way. Our Embassy has recently undertaken to make a small contribution to the work of the Institute of Asian Studies at the Moscow University which we hope will be a first step in a newer engagement which will move increasingly towards newer fields of science and technology.

I also met the Russian Defence Minister¹ and the Minister of Energy & Industry². These meetings were useful for assessing the present status

1. After the meeting with the Prime Minister, the Russian Defence Minister Sergei Ivanov told journalists that "Military-technical cooperation is a very sensitive field. It is possible only between countries that share complete trust and have good political and economic relations." He said he discussed various aspects of defence ties, including an agreement on building jointly Multi-role Transport Aircraft (MTA) for the armed forces of the two countries, supply of Russian spares and progress on the weapons deals signed earlier. He said the signing of the Intellectual Property Rights agreement will "definitely give an impetus to defence cooperation in high technologies. We are increasingly moving away from buyer-seller relationship to technological cooperation." Mr. Ivanov said India and Russia had identical approaches to tackling terrorism and issues concerning security. "India shares our concern to terrorism and is fighting terrorism, not in words but in deed." He pointed out that India was the only country with which Russia had a long-term programme of defence cooperation till 2010 under which \$ 9 billion worth of contracts have already been signed. A day earlier addressing the joint press conference with the Russian President Putin Prime Minister had said "Our perspective goal is to move towards collaborative projects involving design, development and production of the next generation military products....The Multi-role Transport Aircraft and the 5th generation fighter plane have been identified as two such projects."
2. In the meeting between Prime Minister and the Russian Energy and Industry Minister Viktor Khristenko wide-ranging discussions on cooperation in the field of energy were held. "They agreed that India and Russia must develop a long-term energy partnership", the External

in our co-operation in these vital areas and to chart the way forward. Both sectors will continue to be prominent in our bilateral interaction and both sides are committed to closer co-operation.

A delegation of senior India businessmen representing the CII and FICCI also accompanied me to Moscow. I encouraged them to promote greater interaction with their Russian counterparts, utilising the new opportunities that exist. In addition to addressing the business communities of both countries, I also met both Indian and Russian businessmen separately and urged them to tap the existing entrepreneurial instinct to reach a new level of business interaction. This too is a shared priority as President Putin also made the same points when we discussed this subject.

In closing I want to make the point that the India-Russia relationship

Affairs Ministry Spokesperson Navtej Sarna told a media briefing. Mr. Khristenko invited India both to invest in Russia's energy sector and also to joint Russian companies in exploration and extraction activities in third countries, particularly in Central Asia. In the context of the interest expressed by ONGC and other Indian companies in picking up a stake in Russian energy companies like Transneft, Prime Minister and Khristenko agreed to promote cooperation between their respective oil companies through "joint ventures and equity participation," the Spokesperson said. The Russian Minister specifically welcomed India's interest in participating in the Sakhalin-3 oil project in Siberia. India has already invested \$ 2.7 billion in Sakhalin -1. On the nuclear front, the Prime Minister and Mr. Khristenko reviewed the progress being made in the Kudankulam project. The Prime Minister "conveyed India's willingness to consider positively the construction of additional reactors in view of its growing energy needs," the Spokesman Navtej Sarna said.

It may be recalled that on his way to Moscow the Prime Minister had told the accompanying journalists on board the Indian Air Force aircraft that the question of supply of low-enriched uranium (LEU) for the Tarapur nuclear reactor was "separate" from the timetable and condition under which the July 18 Indo - U.S nuclear deal was to be implemented. Accordingly India fully intended to seek a Russian commitment for the supply of the vital fuel. "The fuel for Tarapur is a separate question, it is not related to the nuclear deal," he said. "Issues relating to energy security will figure in my discussions (with President Putin) and it is quite possible that we may touch upon (LEU for Tarapur) as well." When PM was asked if he was counting on Russian support in the event that the July 18 deal with the U.S hit a roadblock, Prime Minister said, "We will cross the bridge when we reach there... We have appointed working groups on both sides (to implement the agreement), they are busy working out the details and therefore, I am hopeful that the things will work out the way we wanted them to work out." But he added that cooperation with Russia in nuclear energy "has already come to stay." "The Kudankulam project is being built with Russian help, so cooperation in the field of nuclear energy is ongoing... and there is certainly scope for expansion in years to come." Dr. Manmohan Singh denied that the November 2 Senate testimony of two senior U. S. officials -that India was not entitled to sign a similar safeguards agreement with the IAEA as Washington had - contradicted his own statement made to Parliament on July 29 that India would not accept any discrimination in nuclear arrangements. "I wouldn't like to go into the details of what an individual in a particular situation may have said. I stand by what I said in Parliament," the Prime Minister asserted. "Whatever we do with the United States would be consistent with the statement made in Parliament."

is such that although this visit was a landmark, it is only one landmark in a long journey that the two countries will make together and which shall be of value and benefit to both.



626. Question in the Rajya Sabha: “Prime Minister’s Russia Visit”.

New Delhi, December 22, 2005.

Will the Minister of External Affairs be pleased to state :

- a) whether a ministerial level delegation led by Prime Minister visited Moscow, recently;
- b) if so, the composition of the team thereof;
- c) the expenditure incurred thereon;
- d) whether Government have signed any MoU during the visit; and
- e) if so, the details thereof?

The Minister of State in the Ministry of External Affairs (Rao Inderjit Singh) :

- a) to (e) A statement is placed on the Table of the House.

Statement

- a) Yes, Sir.
- b) The Official delegation included the National Security Adviser, Principal Secretary to PM, Chairman, Atomic Energy Commission, Foreign Secretary, Department of Space and other officials.
- c) Expenditure incurred on the visit would be intimated once all the final bills are received.
- d) & e) yes, Sir. the three agreements signed after summit level meetings with President Putin were :

- i) Agreement on Reciprocal Protection of Intellectual Property Rights in the field of Military - Technical Cooperation;
- ii) Agreement on Technology Safeguard while implementing long-term cooperation in the area of joint development, operation and use of the GLONASS System for peaceful purposes; and
- iii) Agreement between the Indian Space Research Organization and the Federal Space Agency of the Russian Federation on Cooperation in the field of solar physics and solar-terrestrial relationships within the framework of the Coronas-Photon Project.

Shrimati Vanga Geetha : Sir, I would like to congratulate the hon. Prime Minister on his successful visit to Moscow. We have entered into three agreements with Moscow. I would like to know the outcome of these agreements and the benefits that are likely to accrue to our nation. I would also like to know whether India and Russia have identified cooperation on the issue of medium-range transport aircraft and Fifth Generation Aircraft.

Shri Rao Inderjit Singh : Sir, there are three agreements that we have signed when the hon. Prime Minister went and visited Moscow during the earlier part of this month. Two of them are on Space; one is a military capabilities and intellectual Property Rights pertaining to military technology. All these things are in the interest of India and all these three agreements would benefit India. The GLOVNASS, the Global Positioning System of Russia, in which we are incidentally collaborating with the Russians, will help us. On the agreement on Intellectual Property Rights that India and Russia have together signed, if we are able to give our inputs, if we have to send our joint, collaborated equipment to more countries, we will benefit. Thus, we will benefit from all the three agreements.

About the Russian offer, we have accepted that offer, in the sense that it is under consideration. The Russians have always collaborated with us in defence equipment supplies. So, we are in the process of looking into this. A decision has not yet been taken but the decision will be taken keeping in view our national interest.

Shrimati Vanga Geetha : Sir, my second supplementary is : What is the status of our country with the US and other developed countries in this

field? What are the future plans in this regard with developed countries in this field? What are the future plans in this regard with developed countries?

Shri Rao Inderjit Singh : Sir, our friendship with Russia is time-tested, historical and vibrant. Our relationship with Russia cannot be compared with America or other countries in the West. We have good relationship with them as well. Relationship with one country is not going to affect the relationship with other countries, and we are in the process of developing good relationship with all countries in the world.

Shri Yashwant Sinha : Sir, When the Prime Minister was travelling to Moscow, on board the aircraft when he was talking to the Press persons, he said that the supply of low enriched uranium for Tarapur would not link to the US nuclear deal of July 18. What I would like to know, therefore, from the prime Minister is, whether this issues of supply of fuel to Tarapur came up during his discussions in Moscow and whether the Russian response was positive.

Dr. Manmohan Singh : Mr. Chairman, Sir, we have a comprehensive discussion between our two countries with regard to the energy situation and, therefore, all sources of energy which are pertinent to India's energy security were discussed with the Russian side.

Dr. Karan Singh : Mr. Chairman, Sir, this has obviously been a very successful visit which has further strengthened our relationship with Russia. I have one question to ask. These Agreements are good but there does not seem to have been any mention of any cultural agreement because cultural diplomacy is important. The exchange of academicians, artists, or intellectuals is important. Our relations with Russia have to take on that important cultural dimension also. Would the Minister be able to tell us whether in addition to these more technical agreements there is a broader cultural agreement with Russia and whether that is being carried forward?

Dr. Manmohan Singh : Mr. Chairman, Sir, the hon. Member has asked a very important question. In between the civil societies of our two countries, I took the initiative to invite a large number of scholars who have been working on India-related problems. I had a very good discussion with them. Several proposal were put forward in that meeting and they will be processed in due course of time.

Shri Nilotpal Basu : Mr. Chairman, Sir, from the Press reports one gets an impression that energy security was one of the core areas that were discussed with the Russian Government. Now, will the hon. prime Minister let us know whether we have prepared our own energy policy and in terms of that viable energy mix for the country so that these engagements can be more meaningfully taken forward?

Dr. Manmohan Singh : Mr. Chairman, Sir, the preparation of a comprehensive blue print of a long run energy policy is under discussion. There is a Cabinet Committee on Energy, which has recently been constituted, charged with the responsibility to look at the various options, which are relevant when it comes to long-term energy situation.

Shri P.G. Narayanan : Sir, Russia has already supplied 2,000 megawatt nuclear power plant at Kudankulam in Tamil Nadu. Did the Prime Minister Press the Russian Government, during his visit to Russia, for two more nuclear power plants in Kudankulam expansion project? If so, what was the reaction of the Russian Government ?

Dr. Manmohan Singh : Mr. Chairman, Sir, the Kudankulam project is being implemented right now with the Russian assistance. There is a proposal to expand its capacity; and this matter did figure in my discussion with the Russian President.

Dr. K. Kasturirangan : I am happy to see the two good agreements on the space that were signed during the visit of the Prime Minister. What I would like to clarify from then hon. Prime Minister through you is whether there has been a time frame that has been set to complete the co-operative Agreement on the Glonass - K system on which India and Russia are going to co-operate. Secondly, has the Russian side agreed to release the necessary spectrum at their control so that it is critical to the implementation of the Glonass - K co-operation?

Dr. Manmohan Singh : Mr. Chairman, Sir, these are the details about the Agreements. I will supply those details to the hon. Member.

Shri Ashwani Kumar : Sir, the Prime Minister's visit to Russia was indeed timely and has certainly helped to deepen the engagement between the two countries. The Question I would like to ask is : at this critical time when

we are seeking to enlist support of the Member of the Nuclear Suppliers' Group for our nuclear civil energy co-operation, has India been able to secure and enlist the support of Russia in this matter?

Dr. Manmohan Singh : Mr. Chairman, today, the situation is such that the July 18 statement, which was issued after my visit to the United States, has the broad support of the United states, the United Kingdom, France and Russia.



SWITZERLAND

627. Interaction of President Dr. A. P. J. Abdul Kalam with the Scientists at CERN.

May 25, 2005.

Search for the Unseen

I am delighted to address the members of CERN which is the world's largest particle physics laboratory. I greet the members of CERN family and the distinguished guests. I convey my greetings to CERN for the sustained quality contribution of more than 50 years.

CERN and Me

When I was a student of Physics in the mid 50's, CERN was in its nascent stage and the field of particle physics was very elite and fashionable. Since then, I had followed the strides made by CERN and its great contributions to furthering the frontiers of knowledge. It has been my long-standing dream to visit CERN and to have a first hand look at the frontline research that you have been carrying out. I see the signatures of borderless international scientific community working on common vision. I am very happy to be with you, especially during the International Year of Physics.

I understand that CERN employs around 3000 people but has the unique distinction of having around 65,000 visitors from 500 universities and 80 countries. This is half the number of particle physicists in the whole world. Such a scientific environment definitely will lead to great results in particle physics.

CERN and the World

The contributions of CERN towards our understanding of the origin of the universe and everything that we see around us are legendary. Particle physicists across the world created history by starting the pre-print service even before the world started talking about open and free access to information. This single act of this community of scientists benefited the developing nations immensely. CERN is also the place where the web was born. I cannot imagine what the world would have been without the World Wide Web (www). The CERN document server is one of the richest

repositories of information in particle physics and related areas. It has over 650,000 bibliographic records including 320,000 full text documents. A new aspiring student entering into research in particle physics would find this repository an excellent resource not only to learn but also to kindle his quest for enquiry.

CERN has not only produced world acclaimed scientists including several Nobel Laureates but also had attracted many famous scientists to come to CERN and contribute to the common cause of understanding the very origin of our helio centric system.

CERN and India

Indian interaction with CERN started in the sixties and grew from strength to strength. Formal collaboration agreement between Department of Atomic Energy, India and CERN was signed in 1991 for a period of ten years. The interaction was extremely beneficial to many scientific institutions in India and CERN, and it was extended further.

The Large Hadron Collider (LHC) is the most powerful laboratory to characterize the particle properties more so when it comes to investigations that call for high energy. High-energy physics can find an answer to the question whether neutrinos have mass or not. I am very happy to see that the Indian scientists are participating in two of the five projects, namely CMS (Compact Muon Solenoid) and ALICE (A Large Ion Collider Experiment). Many Indian universities including University of Punjab, Indian Institute of Technology (IIT Bombay) at Mumbai, Tata Institute of Fundamental Research (TIFR) and R&D Organisations such as Saha Institute of Nuclear Physics (SINP), Variable Energy Cyclotron Centre (VECC), Centre for Advance Technology, Indore (CAT), Bhabha Atomic Research Centre (BARC) and Indira Gandhi Centre for Atomic Research (IGCAR) and industries such as ECIL, KECL, CG, AAL, IGTR, INOX India and others have been participating in delivery of some of the finest equipments which challenge the best of designers.

India also has been participating in the establishment of Regional Tier-2 computing centre in order to provide a platform for the scientists to perform data analysis of the data that is expected to come out of LHC.

The Regional Tier-2 Centre is planning to use the state-of-the-art

GRID computing paradigm with the geographically distributed nodes consisting of heterogeneous systems including vector processors and cluster computers.

The expected data rate of transfer from the experimental facility at CERN is 100 mbps while the experiment is going on leading to about a peta-byte of raw data per experiment.

THE VISION

a. Mission for Computers in particle physics:

One of the greatest challenges that would be met by the computer scientists working in such long term programmes as the LHC is the design of computing environment that are robust and do not become obsolete fast. The data from LHC is expected to flow for the Proton-Proton collisions in the middle of 2007. I believe the analysis would be carried out concurrently by the world community. When will the major results exposing any deviations of the Standard Model start coming in?

As you are all aware the computer and communication technology is extremely fragile and obsolescence is the way of living in this fast moving technology. The lifetime of the computer of latest architectures is less than five years. Within a period of ten years the storage medium and the format also change. I am sure with the best brains from India and CERN, we would be able to find a long lasting solution to this problem. Your research and experience will also be useful to the whole world of information scientists much the same way you benefited the world by your discovery of the World Wide Web (www).

b. Mission for Space research and particle research:

India has built a network of satellite as well as ground based experimental facilities for understanding particle physics phenomena and space research over the last 40 years. Research from space science activities has included many topics. A few of them are: Detection of black hole event horizon. X-ray emission from Jupiter, electro jet phenomenon. Discovery of short-lived nuclide in early solar system.

It would be worthwhile to consider the possibility of integrating the data from accelerators, the scientific simulations and the space and ground based observations.

c. Mission for Energy:

The knowledge that you have and will be gaining in building LHC and the results that you will have, will be of great utility to many technology ventures in the world. Based on India's participation in the LHC programme, our knowledge base towards using technology to solve our energy requirements has enhanced. In India, we are working towards the development of thorium reactors for large-scale energy production.

Conclusion:

After seeing your laboratory and interacting with all of you, I am sure that CERN will create history in particle physics which has the same impact as the work of Copernicus and Galileo, so that we can understand the history and origin of our universe. In 20th Century, one of the scientific triumphs is the evolution of the Standard Model based on a series of theoretical and experimental breakthroughs. But as you all know, 'only 5% of the universe is made of normal visible matter described by the Standard Model. 95% of the universe consists of dark matter, dark energy whose fundamental nature is a mystery'. Will CERN, through its LHC and the scientific community, unravel the mystery by increasing the capability of the Standard Model to describe atleast 50 % of the matter in the universe?



628. Address by President Dr. A. P. J. Abdul Kalam at the Swiss Federal Institute of Technology.

Zurich, May 26, 2005.

Technology and National Development

I am delighted to address the members of the Swiss Federal Institute of Technology (Eidgenössische Technische Hochschule Zurich) at Zurich which is one of the world's leading institutions in technology. I greet the President and the Faculty members of ETH and also the Students and the distinguished guests. I congratulate ETH, while it is celebrating its 150th year.

Switzerland and India in Science

When I see your technological performance, I admire you for your sustained excellence for more than one and a half centuries, taking the challenges of the ups and downs in the world. (Tribute to famous scientists of Swiss, particularly Einstein) Particularly, it is inspiring to know that Switzerland had excelled in many scientific, technological and other fields. Switzerland is the home to some of the world famous scientists and Nobel Laureates. The role played by Switzerland and its scientists in shaping today's world of science and technology will make any citizen of Switzerland proud. It is clearly evident from the fact that 28 Nobel Laureates have been from

Switzerland and it had also attracted many other Nobel Laureates to come from other countries to work in Switzerland.

Indian Institute of Science (IISc) in Bangalore, is one institution in our country India, which was established in 1909, which has a proud history of sustained excellence. IISc awards around 220 research conferment every year. IISc's alumni occupy very senior positions in many academic institutions world over. Sir CV Raman, a Nobel Laureate in Physics, Homi Bhaba, the father of the India's Nuclear Science programme, Prof. Vikram Sarabhai the father of Indian Space research programme have all been associated with Indian

Institute of Science.

Prof. CNR Rao, a world renowned Chemist, who is making waves

in the nano sciences currently is also a Professor at IISc. Prof K.R. Sreenivasan, an alumni of the Indian Institute of Science currently heads the International Centre For Theoretical Physics (ICTP) at Trieste, Italy.

India had also had her own share of excellent scientists of world repute even during the period of subjugation under the British rule for more than two centuries. I would like to recall the contributions of five of our scientists - two of them Nobel Laureates and another, a celebrated FRS. Their life, achievements and contributions with minimum of laboratory facilities and with very limited access to latest information are a saga on what dedication can achieve.

Scientific Scene in Pre-independent India

In India, science and technology took a two-phase progress with the momentum created in 1930s, by the great scientists of international repute. They gave the country the confidence. We remember the pioneering contributions to science made by Chandrasekhar Subramaniam for his Chandrasekhar limit and black hole, Sir CV Raman for his discovery of the 'Raman effect', Srinivasa Ramanujan for his contributions towards number theory, JC Bose in the area of microwaves, S.N. Bose, famous for Bose-Einstein statistics and Meghnad Saha for 'Thermo-Ionization Equation'. This phase, I consider the glorious phase of Indian science. The scientific foundation laid by them triggered the later generations. The unique similarities of all these scientists are the one that they had dedicated their entire life for the cause of scientific research and the spirit of inquiry for the fields that they have chosen amidst all the hurdles and problems in their life. Science always gives life time missions to the scientists, and then only success comes. It is a question of dedication, commitment and understanding and also the environment for research in science, which gives birth to the scientists for the nation. They inspired many later generation scientists including GN Ramachandran, the originator of triple-helix.

Let me now discuss on how India had built the S&T base and drew the road map leading to national development using science and technologies particularly in the field of defence, space and atomic energy in the post independent era. The science and technology had also fed critical inputs to reaching self-sufficiency in food through the Green Revolution and milk production through the White revolution.

The post-independence phase of Indian science and technology

All of you know, in history, any country revolves itself initially around a few stout and earnest knowledge giants. Particularly I took interest to study lives of three scientists, as I was interested in their scientific technological leadership qualities that focused the relationship of S&T and development of the nation. In the history of India, there may be many but I was very close to these three great personalities for one reason or the other. They are founders of three great institutions. I worked in two of the institutions directly and one in partnership. Dr DS Kothari, a Professor in Delhi University was an outstanding Physicist and also an Astrophysicist. He is well known for ionization of matter by pressure in cold compact objects like planets. This theory is complementary to thermal ionization work done by Dr Meghnad Saha his guru. Dr DS Kothari set a scientific tradition in Indian defence tasks when he became Scientific Adviser to Defence Minister in 1948; He created a Board of Advisors to the Scientific Advisor consisting of Dr. H.J. Bhaba, Dr. K.S. Krishnan and Dr. S.S. Bhatnagar. Later the Board was renamed as Scientific Advisory Board with enlarged membership.

He established the Defence Science Centre to do research in electronic material, nuclear medicine and ballistic science. He is considered as the architect of defence science in India. His race continued and followed up with momentum working and contributing in the areas of strategic systems, electronic warfare systems, armaments and life sciences.

Pioneer in Indian Nuclear science

Now, let me discuss about Homi Jehangir Bhabha . He did research in theoretical physics in Cambridge University. During 1930-1939, Homi Bhabha carried out research relating to cosmic radiation. In 1939, he joined Sir CV Raman in IISc Bangalore. Later, he was asked to start the Tata Institute of Fundamental Research with focus on nuclear science, mathematical science and established Atomic Energy Commission in 1948. Multi centers were born with his vision in nuclear science to nuclear technology, nuclear power, nuclear devices and nuclear medicine. These science institutions established multi technological centers with basic science as a vital component.

Indian Space Visionary

Prof Vikram Sarabhai, the youngest of the three, worked with Sir

CV Raman in experimental cosmic ray research. Prof Sarabhai established Physical Research Laboratory (PRL) Ahmedabad with Space research as focus. PRL was the cradle of Indian Space Programme. Prof Vikram Sarabhai unfurled the space mission for India in 1970 that we should build Satellite Launch Vehicle capability, to put our communication satellites in the geo-synchronous orbit and remote sensing satellites in the polar orbit. Also, he envisaged that launch vehicles built in India should be launched from Indian soil. This one visionary thought led to intensive research and development in multiple fields of science and space technology. Many of us had the fortune to be part of Prof. Vikram Sarabhai's vision. My team and myself participated in India's first satellite launch vehicle programme to put the satellite in the orbit. Today, India with her 20,000 scientific, technological and support staff in multiple space research centres, supported by about 300 industries and academic institutions, has the capability to build any type of satellite launch vehicle to place remote sensing, communication and meteorology satellites in different orbits and space application has become part of our daily life. When I am with you I thought of sharing the India's status in S&T, so that Switzerland and India can become partners in specific areas such as Nano Science and Nano Technology, Nuclear Research particularly applied to Energy, High energy physics and advanced computing.

ETH in the knowledge economy

When I look at the website of your great institute, I find that you work in the four important knowledge areas of the future.

1. Information science
2. Life science
3. Shaping of city and landscape -- living and cultural space in an increasingly urban and globalized world - ENVIRONMENT
4. Energy

You work with the commitment of Global approach with national roots much the same way the Indian knowledge economy is aiming to become ? Manufacture locally, Market Globally. With your all around excellence in computer assisted modeling and simulation, complex re-engineering, design and re-engineering, ETH have become the driving force

behind the economic growth and industrialization of Switzerland in the knowledge economy.

Road map for Developed India

We in India have placed emphasis on science and technology to become a vehicle for national development. Using our vast S&T base as a foundation, we have a vision of transforming India into a developed nation by the year 2020. To achieve the vision of developed India, we have to simultaneously progress five areas where India has core

competence for integrated action: (1) Agriculture and food processing (2) Education and Healthcare (3) Information and Communication Technology (4) Infrastructure including Electric power, Networking of rivers, Providing Urban amenities in Rural Areas (PURA) (5) Self reliance in identified critical technologies. These five areas are closely inter-related and if progressed in a mission mode will lead to food security, economic prosperity, social welfare and national security.

The Mission of PURA (Providing Urban amenities in Rural Areas)

The number of PURA units for the whole country is estimated to be 7000. This envisages integrated connectivities to bring prosperity to rural India. These are - physical connectivity of the village clusters through quality roads and transport; electronic connectivity through tele-communication with high bandwidth fiber optic cables reaching the rural areas from urban cities and through Internet kiosks; and knowledge connectivity through education, vocational training for farmers, artisans and craftsmen and entrepreneurship programmes. These three connectives will lead to economic connectivity through starting of enterprises with the help of banks, micro credits and marketing of the products. Each PURA cluster will connect about 20 -30 villages depending upon the region and population and will cost about twenty million dollars. This is a viable and sustainable business proposition. After initial short-term employment during construction etc., we have to plan for initiating actions for providing regular employment and self employment opportunities in nationally competitive small enterprises in agro processing, manufacturing and services sectors for about 3000 people. If the industrial/business parks are marketed well, they can generate employment opportunities in support and services sector for about 10000 people. This

will provide sustainable economy for the rural sector. In this national mission, bankers can promote entrepreneurship in the rural areas. This will lead to the removal of urban-rural divide.

PURA as an Enterprise

A large number of banks have entrepreneurial development programmes. Banks have also been funding Small Scale Industries of different types in various regions. The small scale industrialist is a promising candidate for becoming the chief executive for managing the PURA complexes in an integrated way. PURA enterprises can also undertake management of schools, health care units, vocational training centres, chilling plants, silos and building a market, banking system and the regional business or industrial units. A new mission mode management style has to emerge for PURA enterprises. It should not be looking for protective legislations to support them. Rather they should be efficient to compete with others. This new PURA enterprise needs partnership from the bank, from the Government and also from the private entrepreneurs. The PURA model can be used in many developing countries and also developed countries in enriching human life.

Growth focus in the ICT Sector

In the last decade, the software industry had become one of the backbones of the economic development in India. Today the software industry in India is nearly 28 billion dollars (\$18 Billion Export and \$10 Billion Domestic Market) contributing to nearly 24% of nation's exports. This is through IT Services and ITES-BPO Sector, which accounts for around 3.5% of the global market. India's core competence is in the area of IT services, IT Enabled Services (ITES) - Business Processing Outsourcing (BPO). The world business volume in these two sectors alone accounts for \$ 850 billion. India plans to have a minimum of 15% of the Global business volume. The market share of the Indian Software industry in IT Services, ITES, and BPO is projected to be around 200 billion dollars by 2008.

Our university system is contributing over 3 million graduates every year. This is a vital resource needed for growth in the IT Services, ITES and BPO. India aims at increasing the knowledge pool to 5 million youth by the year 2008, which will enhance the existing efficiency by a factor of two.

Indian technologies

When I addressed the nation during the Technology day, 2004, I took it upon my self to bring to the notice of public, some of the challenges in technology that India successfully overcame. For brevity, I have discussed seven technological achievements which have the potential to penetrate into our economy and assist the transformation of our society. Some of them are: Electricity Generation from Municipal Waste; A Brand in Automobile Technology; Fast Breeder Reactor and Light Combat Aircraft (LCA) crossing the Sonic Barrier.

Electricity Generation from Municipal Waste

Increased urbanization, have led to a serious problem of accumulation of municipal solid waste. Efficient and environmentally clean disposal of garbage has always been a major technological challenge. While being a threat to the environment, mounting garbage is also a rich source of energy. The potential for converting this waste into useable energy, which will eliminate a major source of urban pollution, was realized by one of our innovative organizations- Technology Information Forecasting and Assessment Council of Department of Science and Technology, which helped in developing a completely indigenous solution for the processing of waste into a source of fuel. This fuel could, in turn, be used for generation of electricity through mini plants. Two entrepreneurs in Andhra Pradesh adopted the technology with refinement and established two independent plants in Hyderabad and Vijayawada generating over 12 megawatts of electricity, which is being supplied to the State Grid.

A Brand in Automobile Technology

It was the dream of our nation, to have a car designed, developed and manufactured by us, being driven in the roads of world capitals. But for many years, we have been producing automobiles using imported technologies or under licensed manufacture. Now a new situation has emerged for the last 3 years in the country with the industrial commitment of TATA Engineers, workers, managers and partner industries who have made a seminal national contribution in the form of a car 'Indica', a brand of automobile technology. It has not only attracted the Indian car lovers but it has got a demand in the western market too. For the first time, in Indian technological history a four-wheeler automobile has been designed,

developed, manufactured and exported. This Indian export will pave the way for Indian automobile industry to become internationally competitive and give birth to a multinational business.

Fast Breeder Reactor (FBR)

When I think of energy security through non-conventional sources in the country, I am reminded of Dr. Homi Jahangir Bhabha, who gave a vision of three-phase programme of nuclear power to ensure energy security. The first phase of this programme led to the maturity in building pressurized heavy water reactors in the country. Dr. Vikram Sarabhai was the visionary, who recognized early in the 1970's, the need for developing Fast Breeder Reactor, which can achieve a power capacity of five hundred thousand mega watts. The Fast Breeder Reactor generates more nuclear fuel than it consumes due to gainful conversion of fertile isotopes like U238 and Th232 into Pu239 and U233 respectively. Dr. Vikram Sarabhai also understood the complexity of FBRs and drew a road map for inter disciplinary research in reactor engineering, materials, chemistry, reprocessing safety, instrumentation and other allied disciplines at the Indira Gandhi Centre for Atomic Research. The experiences in construction, commissioning and satisfactory operation of the Fast Breeder Test Reactor have demonstrated the mastering of the multi-disciplinary technology for energy production. It has also created a pool of specialists in various disciplines related to complex technology of fast breeder reactor.

With this experience, a Fast Breeder Reactor of 500 MW capacity has been designed and structural integrity demonstrated using a simulation model. A pilot plant scale reprocessing facility has also been commissioned and reprocessing of FBTR fuel has commenced successfully. Two peer expert groups have reviewed the final design of FBR 500. This has provided a proof of Indian design capability. Based on this confidence a project has been sanctioned to the Department of Atomic Energy for setting up of the first FBR by a newly formed company called Bhavini at a cost of Rs. 3500 crores by 2010.

Light Combat Aircraft

India has designed and developed Light Combat Aircraft. The three LCA aircraft are now flying. They have crossed the sonic barrier and have been flying at supersonic speeds. Light Combat Aircraft named as TEJAS

will go to user soon. TEJAS is the smallest lightweight aircraft, highly maneuverable with maximum composite structure; with low radar cross section area and above all it will be globally competitive. How did we achieve this? We formed the national teams for composite wings and for the flight control systems. With time bound mission mode project management system, experts drawn from multiple organizations positioned as one single development team, we have achieved a remarkable development success.

Science is universal

With the advances in Information technology, the world has shrunk to be a global village and networking of scientists is necessary to solve complex real world problems. In the fourth century BC, India was a preferred destination for more than 64 countries for learning and research in science and philosophy. But today the scientist movement in India is from east to west. Of late, we have started seeing the trend of visits by scientists from the developed nations to India. This of course is the recognition of the caliber of the Indian scientists and some of the state-of-the-art facilities that we have created. Besides world class equipments in many areas of science, we have also felt a national initiative in building some of the finest super computers. The country's scientists have also been sensitive to the changes that have been taking place in the area of networking and hence have been focusing on renewed and intense research and development efforts in the area of cluster computing and Grid computing. In the top 500 super computers in the world, India had started to have a few new entries.

India has built several clusters in the university environment and in the research laboratories. These computers have computing power comparable to those available in the best of the US universities. These have become added attractions for scientists from the west to come and collaborate with their counterparts in India. India's Grid computing initiative has made a modest beginning with several of the computer centres in the country being connected by a 100 mbps link which will soon be upgraded to gigabit connectivity. The universities in India have developed high quality middleware and application software for the Grid. The Software is indeed the core-competence of our nation.

While I congratulate the students of ETH, Zurich, I would really wish that all of you to promote the connectivity for close collaboration between

ETH and the Indian R&D Labs and Universities. The world's problems are so complex. Hence it needs sincere and dedicated collaborations to make science economically viable and intellectually challenging. Let us work together to make this world a better place to live.

Conclusion

I would like to share with you my experience in meeting with students from all over the world, after becoming the President of India. So far, I have met with more than 600,000 students. I find that the dreams of the students are the same irrespective which country they belong to. All the students want to lead a peaceful, happy, prosperous and safe life. The tradition of Switzerland is to maintain its very strong neutrality and peace loving nature. It is indeed the world's role model and fits the dream of the students of the world. India with her civilizational heritage is a natural partner for Switzerland, to further the cause of the mankind. It is inspiring to know that ETH is reaching out to the secondary schools, general public, political, economic and scientific circles and its own community and other stake holders to showcase the S&T that formed an integral part of ETH in its sesquicentennial year. I congratulate once again the students and the faculty of ETH and I wish you that your institute continues to grow and maintain your preeminence in the world of science and technology for many centuries to come.



629. Address by President Dr. A. P. J. Abdul Kalam to the House of Parliament, Salle des Pal Perdus.

May 26, 2005.

Nation Builders of Switzerland

I am honoured and privileged to have this opportunity to address the Federal Councillors of Switzerland. When I am with the leaders of the Switzerland, I convey the greetings of one billion people of the largest democracy of the world, the Republic of India to the peaceful, actively neutral and innovative people of Switzerland. While two world wars originated in Europe and the continent was busy with conflicts for over 100 years, Switzerland transformed itself into an abode of world peace in its midst of world conflict.

The geographically young Alps emerged about the same time as our Himalayas. The mountain Alps is the beauty of Switzerland and it gives peace and also the challenge to its people. In India, the Himalayan ranges are the spiritual home of many souls and the fountain head of its civilizational heritage and above all, is the source of great rivers. The Himalayas is also the birth place of many Universal Philosophies such as Buddhism by Buddha, Jainism by Mahavir and the Advaita by Adi Shankaracharya which propounds the unity between mind, body and soul.

When the President of Switzerland visited India on 10 November 2003, our two flags fluttering in the breeze in the forecourt of Rashtrapati Bhavan at the time of ceremonial reception, my thoughts took me to a fresh realisation. The Flag of Switzerland so resplendent signifying freedom, honour and fidelity beside the Indian National Flag - a symbol of our national pride, its tricolour representing truth, dharma and purity with the Wheel denoting dynamism. Together, these two Flags were conveying a message for eternal peace not only for our two countries but for the whole world. It would, therefore, be appropriate for both our countries to launch an international peace movement.

Now when I am in the Parliament of Switzerland, I pay the tribute of my country to your universal status in the planet which is the abode of many United Nations institutions. I also greet the peace loving people of your country who are the pioneers of knowledge society. I was thinking

what thoughts I can share with the members of the Federal Council of this peace loving country. I have selected the topic 'A prosperous, happy, safe planet — how to achieve?'

Dynamics of impending global energy and water crises

Energy for future generations:

The era of wood and biomass is almost near its end. So the age of oil and natural gas would soon be over even within the next few decades. Massive burning of the remaining reserves of coal would surely lead the world towards ecological problem. Electricity through nuclear fuel is indeed now becoming a source for green planet. This thought is spreading through out the world. In India, we are generating electricity through multiple ways about 100,000 MGW power per year. We will be adding the next decades another 100,000 MGW including 20,000 MGW power through nuclear energy apart from other resources. Nuclear fusion will be a great scientific revolution in power generation in future. But sustainable economic development and perennial sources of clean energy which would then heal the wounded planet earth's environment and ecology will be only through massive use of the solar energy. This is all the more possible for the reasons onset of newer technologies, for example a combination of CNT and photovoltaic cells.

Solar power satellite

Possible option is the use of space based solar power stations. The solar power satellite placed in geo-stationary orbit, which would all the time transmit the solar radiation in the form of microwave energy, which can be collected by the fixed remote stations and converted into electrical energy. Thus, electrical power will be continuously available for helping the reverse osmosis process to generate large-scale drinking water supplies. This enables not only solving the drinking water problem; it also solves the energy crisis, which the world will have to face in the coming years. The study indicates that the space based solar power stations have nearly 10 times greater capital utilization than equivalent sized ground solar stations and in the overall economic analysis it will be the best solution.

Water for future generations

Currently, more than half of the world's six billion population is without access to safe drinking water and sanitation. Twenty thousand children are

dying every day due to polluted drinking water more than the total mortality due to cancer, aids, wars and accidents. By the year 2025 when the world population touches eight billion, as many as seven billion will be living under conditions of moderate, high and extreme water scarcity. There is a four-fold path towards safe, fresh drinking water. The first is to re-distribute water supply; the second is to seek new sources; the third is to save and reduce demand for water; and the fourth is to recycle used water supplies.

Space science and technology can surely find sustainable regional solutions for abundant and perennial supply of fresh drinking water. In our country, redistribution of water supply through networking of rivers is now in the project study mode Remote sensing to survey and evolve optimum water routes, environmental mapping and afforestation requirements, and continuous monitoring of the networked water flow through all seasons and at all times may require a dedicated satellite constellation for our networked river systems. Now I would like to discuss the evolution of enlightened citizens, which is the basic need for a prosperous and peaceful society.

Evolution of Enlightened citizens

The evolution of enlightened human beings is indeed a big challenge for the world community. I was asking myself, what will be the components of such a mission? There are three components to that. The first component is education with value system, second is religions graduating into spiritual forces to bring universal brotherhood and the third is poverty eradication by attaining economic prosperity through a national vision.

Education with Value System

The best part for a person is his or her learning period in childhood at School. The prime learning period is 6th to 17th year of age. Hence, the school hours for children are the best time for learning, and need the best environment and mission oriented learning with value based educational system. This reminds me the echo from Bestolozzy, a great teacher's saying, "Give me a child for seven years, afterwards, let the God or devil take the child, they cannot change the child." That is indeed the power of the teacher. For parents and teachers, school campus and home have to have an integrated mission: education with value system. Twelve-year value-based education of 25,000 hours in the school campus is essential to establish an open and transparent society or a society with integrity. Up to the age of 17

years, the father, the mother and the teacher lead a child to become an enlightened citizen.

The Nations will target development milestones in a spirited environment instead of spending tremendous energy and time in problems initiated by small aims. This is the essential environment needed for transforming any nation into a developed nation.

Religion transforming into spirituality

A message, I have received from my interaction with many people in India and abroad, experienced and old, energetic and middle-aged, young and innocent, they all look to religion for solace and safety. I have also visited great many religious places and houses of worship throughout the length and breadth of this great country and I have met many of our religious leaders. The religions are like exquisite gardens, places full of surpassing beauty and tranquility, like sacred groves filled with beautiful birds and their melodious songs. I truly think that religions are beautiful gardens. They are enchanting islands, veritable oasis for the soul and the spirit. But they are islands nevertheless. How can we connect them so that the fragrance engulfs the whole universe? If we can connect all the islands with love and compassion, in a 'garland', we will have a prosperous India and prosperous world.

Our nation is going through a major challenge of uplifting of 260 million people who are below the poverty line. They need habitat, they need food, they need health care, and they need education and employment and finally resulting into a good life. Our GDP is growing at more than 6% to 7% per annum. Whereas, the economists suggest that to uplift the people below poverty line, our economy has to grow at the rate of 10% per annum consistently, for over a decade.

Integrated action

To meet the need of one billion people, we have the mission of transforming India into a developed nation. We have identified five areas where India has core competence for integrated action: (1) Agriculture and food processing (2) Reliable and Quality Electric power, Surface transport and Infrastructure for all parts of the country. (3) Education and Healthcare (4) Information and Communication Technology (5) Strategic sectors. These

five areas are closely inter-related and if well done would lead to national, food and economic security. This can be achieved only through righteous action by all of us.

Connectivities for prosperity

I would like to share with you a unique development issue for India. Nearly 700 million people live in the rural areas in 600,000 villages. Though most of them have strengths of natural resources and skills, they are poorly connected and therefore their economies stagnate in comparison to towns, cities and metropolis. How do we solve this problem? We studied in various aspects. We found that connectivity of village complexes providing economic opportunities to all segments of people is our priority. We have taken measures to bridge the rural-urban divide, generate employment and enhance rural prosperity by addressing the essential needs of the villages such as water, power, road, sanitation, healthcare, education and employment generation.

Essential Connectivities

The integrated methods, which will bring prosperity to rural India are: the physical connectivity of the village clusters through quality roads and transport; electronic connectivity through tele-communication with high bandwidth fiber optic cables reaching the rural areas from urban cities and through internet kiosks; knowledge connectivity through education, vocational training for farmers, artisans and craftsmen and entrepreneurship programmes; and economic connectivity through starting of enterprises with the help of banks, micro credits and marketing the products. I am sure that Switzerland and India can definitely work together in this area. Both the nations can embark upon the missions to create complimentary strengths so that all our networks can run with our own hardware and software.

Conclusion

So far I have discussed about Global concern of energy and water and evolution of enlightened citizens who are required for development of a prosperous, peaceful and happy society. I had touched upon the commonalities of our civilizational heritage. I wish to share some more ideals on the same. Righteousness of the heart of the human being leads to a perfect life of an enlightened citizen. This is beautifully explained in ascent

and descent phase of human life by Confucius. He states that 'People who desired to have a clear moral harmony in the world, would first order their national life; those who desire to order their national life would first regulate their home life; those who desire to regulate their home life would first cultivate their personal lives; those who desired to cultivate their personal lives set their heart to righteousness, would first make their wills sincere; those who desire to make their wills sincere would first arrive at understanding; understanding comes from the exploration of knowledge of things. When the knowledge of things is gained, then understanding is reached; when understanding is reached, then the will is sincere; when the will is sincere then the heart is righteous; when the heart is righteous then the personal life is cultivated; when the personal life is cultivated, then the home life is regulated; when the home life is regulated, then the national life is orderly; when the national life is orderly then the world is at peace. From the Emperor down to the common man, the cultivation of the righteous life is the foundation for all.'

May God bless you.



630. Address of President Dr. A. P. J. Abdul Kalam at the Swiss Federal Institute of Technology (EPFL)

Lausanne, May 26, 2005.

Science is borderless

I am delighted to address the members of the Swiss Federal Institute of Technology, Lausanne (L'Ecole Polytechnique Federale de Lausanne), Switzerland which is one of the world's leading institutions in science and technology research. I greet the President and the Faculty members of Federal Institute of Technology and also the students and the distinguished guests.

Great minds that changed human life

Periodically I used to invite students to the Rashtrapati Bhavan which is the home of the President of India. I would like to recall an incident that

took place in one such meeting. I asked many group of students, "who are the important people who changed the human life on this planet?" The most convincing answers that I got included;

Charles Darwin, who propounded the theory of "Natural Selection". He made us think differently about how the evolution of human being took place.

Thomas Alva Edison, who invented electricity, which indeed revolutionized every field of science and technology and human life. Electricity is indeed the foundation for the growth of human society today.

Albert Einstein, who propounded the theory of relativity and gave the famous equation $E=MC^2$ to the world.

Mahatma Gandhi, whose Ahimsa Dharma (Non-Violence) movement against racial discrimination in South Africa and fought against British rule in India through non-violence. When I think of Einstein, I am reminded of the observation made by Einstein about Mahatma Gandhi, "Generations to come will scarcely believe that such one as this (Gandhiji) ever in flesh and blood walked upon this earth".

Our two countries have had such great links in the past and have been the home to two of the greatest souls of the 20th century. Even at that time, the two countries have realized the importance of the co-existence of the philosophy and science and make them tools to alleviate the suffering of the human kind. The famous discussions between Indian Nobel Laureate Rabindranath Tagore and Einstein have brought out the linkage between the observation of randomness at small scales and order at big scales in atoms, and similar observations made in music and human psychology. Their extraordinary vision in seeing the connection between philosophy and science to explain "the constant harmony of chance and determination which makes it eternally new and living."

International Year of Physics - 2005

One of the major breakthroughs in science in the 20th century that had an everlasting impact on the mankind is the most celebrated work of Einstein. Einstein explained, for the first time in 1905, the principle of the inertia of energy as a universal law. The famous energy equation $E=MC^2$ was given to the world. This equation had become the basis for producing electricity

from nuclear energy. Today it is becoming more relevant for the electricity produced by nuclear energy is clean and green. Science is a double-edged sword. While the $E=MC^2$ of Einstein, changed the way the humanity looked at the energy problem, it also paved the way for the design of Atom bomb. The latter application even today threatens to disturb the world peace. In spite of this, Einstein's work is most profound and opened up many areas of research and development in physics. The scientific community of the world has decided to pay tribute to Einstein by declaring the year 2005 as the International year of Physics. India celebrates Einstein's anniversary by paying special attention to basic sciences in our schools and colleges, modernizing and reforming our institutions of science and, above all, rededicating ourselves to the spread of scientific temper. We released a beautiful stamp to pay tribute to Einstein.

Raman Effect

One of the contemporaries of Einstein from India and an equally eminent scientist in the world of science is Sir C.V. Raman. Raman was extremely creative even with inexpensive equipments and in simple environments. One of his notable contributions to science is the discovery of what later came to be known as "Raman Effect". Raman Effect is the appearance of additional lines in the spectrum of monochromatic light that has been scattered by a transparent material medium. Sir C. V. Raman discovered the effect in 1928. The energy and thus the frequency and the wavelength of the scattered light are changed as the light either imparts rotational or vibrational energy to the scattering molecules or takes energy away. The line spectrum of the scattered light will have one prominent line corresponding to the original wavelength of the incident radiation, plus additional lines to each side of it corresponding to the shorter or longer wavelengths of the altered portion of the light. This Raman spectrum is the unique characteristic of the material medium. Thus, Raman spectrometry is a useful technique in physical and chemical research, particularly for the characterization of materials.

This in-elastically scattered light is called 'RAMAN SCATTER'. Energy difference between incident light and the Raman scattered light is equal to the energy involved in changing the molecule vibrational state. The Raman Effect is useful in the study of molecular energy levels, structure development and multi component qualitative analysis.

Raman Effect has continuously impacted every field of science. Its role in spectroscopy, medical diagnostics and material characterization had been phenomenal. The Raman Effect had been used in many new areas of science and the most recent being in the development of a continuous silicon laser. Instruments and techniques based on Raman Effect make a huge industry all over the world.

Raman Effect in ICT

In a paper published February 17, 2005 in Nature, Intel researchers disclosed the development of the first continuous wave all-silicon laser using the Raman Effect. They built the experimental device using the standard CMOS manufacturing processes. Intel researchers incorporated a novel diode-like structure into the silicon cavity laser. This diode combined with the Raman Effect produces a continuous laser beam at a new wavelength. This breakthrough device could lead to many practical applications such as optical amplifiers, lasers, wavelength converters, and new kinds of high efficient optical devices. A low-cost all-silicon Raman laser could inspire innovation in the development of new medical sensors, and spectroscopy devices.

Over the next 5 to 10 years, the computing and communications industries would face increasing challenges to deliver more data and faster. Consumers will be downloading full-length movies, not just photos and music files. People will also require faster access to these large amounts of data. While microprocessors are projected to meet these future demands, the bandwidth of interconnects needs to be increased to meet the speed of the microprocessors. With the new work of Intel using Raman Effect to produce continuous silicon laser, the material convergence will take place very soon and faster networks would emerge.

Birth of Triple Helix

Now, I would like to talk about another great Indian scientist, Dr. G.N. Ramachandran known as GNR amongst scientists. GNR's life is indeed an example worthy of emulation by all scientists, which was a fusion of curiosity, creativity and problem solving ability for successful missions. GNR, was wondering how to go about with x-ray diffraction and x-ray crystallography base with application to bio-molecules as a main theme. JD Bernal, the famous crystallographer and chemist who was on a visit to

India in 1942 felt that all the structure proposed so far for collagen were unsatisfactory and suggested that GNR could take a look at that. GNR published the first innovative paper on the collagen structure, which gave strikingly original triple helix, it appeared in the journal Nature in August 7, 1954. The proposed structure consisted of three separate helical chains, with their axis parallel to the fiber axis, stacked in a hexagonal array. This structure was not only innovative; it also provided better quantitative agreement with the X-ray data. Collagen is today finding large-scale application in the treatment of third degree burn injuries, since it has been found to have extraordinary healing properties. Also collagen has led to a separate branch of biology named structural biology, which is being taught in many universities. GNR can rightly be called as the father of structural biology. The world will always be thankful to him, for giving the famous Ramachandran plot. G.N. Ramachandran is the first one in India to foresee and make possible the birth of bio-informatics.

Can computer challenge the Brain?

I would like to share with you friends, some of the predictions of Ray Kurzweil written in his book "When Computers Exceed Human Intelligence - The Age Of Spiritual Machines". Most of the computers of the future and accessories will be of micro sized, wearable and will have wireless communications with each other. Moderately priced PCs capable of performing about a billion calculations per second today, will be able to perform about a trillion calculations per second within next 10 years. It is predicted that by 2019, the computational ability of an ordinary PC would exceed the capability of human brain. By 2029, the capability of a normal PC would be around 1000 times of the human brain. Definitely my view is: the creativity of the human mind will always be superior to even the most powerful computer in the horizon. This thought I would like the researchers who have assembled here to debate.

By the end of this century, there would be a strong trend towards convergence of human thinking with the world of machine intelligence that the human species initially created. When there would no longer be any clear distinction between human and computers, how the molecular biologists would help us to retain the supremacy of man over the machines? Computers are going to give us a challenge. It is not only for the biologists and bio-technologists; the entire scientific community would have greater

responsibility of keeping the mankind above the man-made computers, creativity being the prime mover.

With the recent advancement in the computational capabilities and bioscience and also availability of large amount of clinical data, we were stimulated to study the brain particularly in the conditions of mentally challenged children. Both India and Switzerland, in particular the EPFL at Lausanne have complimentary capabilities in Information and Biological Sciences to work together and make an everlasting contribution to the healthcare of the future generation. If this collaboration can be successfully orchestrated, the two countries would be remembered much the same way; today's generation remembers Mahatma Gandhi and Einstein.

I would like to present some aspect of our research in healthcare. The subject interests me and I continue to pursue.

Research on Mentally Challenged Children

When I was associated with Anna University in Chennai as a Professor of Technology for Societal Transformation, apart from my teaching activities, I was guiding a doctoral research student. The research was aimed at finding an integrated solution using software and hardware to achieve a near normal functioning of the brain of mentally challenged children. It is indeed recognized by the world peers as a complex problem both from the point of view of ICT application and neurological research. When I saw some of the mentally challenged children performing certain activities like singing, painting in Central Institute of Mental Retardation, Thiruvananthapuram, I got convinced that one day convergence of information and communication technology, medical electronics, biotechnology and mathematical simulation can find a solution for their problem. We have been studying the mentally challenged children in various research institutions, homes for mentally retarded and hospitals. We are confident that it will be possible to transform the functions of the damaged portion of the brain say left hemisphere to the normal portion right hemisphere of the brain by some triggering mechanism, or by implanting a bio-chip to carry-out those functions. This is a complex problem, which needs an integrated approach involving medical scientists and technologists for a targeted permanent solution which can help children with this mental disability. This research continues and I hope my student gets good results.

Nano Science

In the year 2004, I invited around forty leading experts, young and experienced, in the area of Nano Sciences to the Rashtrapati Bhavan. The day long brain storming session was to start defining the objectives and the timeline for starting the national initiative in Nano Sciences and Technology and foster the interface of the developments in Nano Science and Technology to other areas. The roadmap for the country's aspirations in Nano Science and Technology has been drawn. I would like to discuss some of the work in this important area purely to invite you to collaborate with our Scientists in a seamless and borderless way.

Devices and materials have been shrinking rapidly over the past few decades and it is estimated that by 2010, the size of computers would be of the order of Nano, which is equivalent to ten to the power of minus nine. The future computers would be built with Nano sized materials would work at Brahma's speed (teraflops) and would communicate at the speed of lightning (Terabits per second) and would store the knowledge of the entire universe in a small (Hiranya) cube.

When I look at the deep and beautiful colors on the feathers of the peacock in the Rastrapati Bhavan, I have often wondered how even after many years, the color of the peacock feather does not fade away. I recall as a young kid, I used to keep peacock feathers in my books. This phenomenon of long lasting original color to the peacock has come from the God's own creation of Nano materials, coated in a peacocks feather and they diffract light, which gives us the rich colors. Observation of the nature and the role of science in understanding it from our research in Nano sciences can be converted into a technological product by using the same or similar Nano materials which gave the natural color for the peacock feather, as part of our shirts, sarees, fabric and apparels. It is a welcome destination for science to mature into technology and become a product of utility for the society.

When the materials are in the Nano regime, it opens up a very interesting challenge to basic physics and chemistry. This challenging research world over has demonstrated that by making the same material in the Nano scales, one could get materials with unimaginable, and useful properties. This means, in the near future, scientists will be able to develop methods to make very minute materials for a variety of applications.

In medicine, for example, it would be possible to detect cancerous tumors when they are very miniscule or only a few cells in size. This knowledge, in turn, could lead to early detection and possible cure of the person with minimal discomfort. The "Nano-computer", which has been developed by scientists at the Weizmann Institute of Science, Israel, is one of the best examples of these minute products and their potential. The biological nanocomputer is a device that is pieced together using a trillion living cells, acting together and with the capability to perform billion operations per second.

This exciting device is a combination of the enormous crunching power of the computers and biological molecules that can be programmed to perform different tasks in an autonomous way.

Prof. CNR Rao's research team at the Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), in collaboration with researchers at the Indian Institute of Sciences (IISc), Bangalore, has developed inorganic nanotubes and nano wires. In another related development, a bamboo cone nanotube has also been fabricated. These nanotubes, which were first discovered in 1990, have potential applications in electronics. By making bundles of nanotubes, it is possible to have highly efficient electronic display and flat-bed displays in TVs. More applications are on the anvil.

Another interesting lead from Indian scientists is in the area of nanotubes of the junction 'Y' type. This manipulated version can be used as a transistor. We can have a large number of Y or T-junction nanotubes or nanochips that have the properties of a diode and explore the potential applications. Nano science has exciting potential in futuristic applications in medicine, genomics, electronics, energy, molecular electronics, very sophisticated chemical analysis, drug development etc.

Scientific Excellence in India

There are large number of scientific laboratories, and R&D Institutions in space, defence and many other areas and a number of universities in India. I thought of sharing with you six scientific research results of the year 2004 that will impact our society. This may be of interest to you.

Bio-pesticide development

First I would like to discuss about bio-pesticide development.

Development of safe and sustainable alternatives to chemical insecticides is absolutely essential as it has become a liability for good soil. A research mission has been taken up by International centre for Genetic Engineering and Bio-technology to isolate a bacterium from soil dwelling nematode, which is highly pathogenic to insects. Sustained research and field trials during the last two years, at various locations in the country, of the formulation consisting of bacterium has led to successful optimized formulation resulting in a viable bio-pesticide. As reported, the formulation is effective in agricultural and horticultural insect pests like diamond back moth of cabbage and cauliflower, mealy bugs of citrus fruits and grapes and termites in teak plantation. White woolly aphid of sugar cane, which is a major factor in reducing the sugar production of Maharashtra, Karnataka and Andhra Pradesh, is effectively controlled by the bio-pesticide. Its efficacy is comparable to the chemical insecticide. This scientific research leading to technology has been transferred to a startup bio-tech company Nirmal seeds Ltd and it is marketed under the brand name, BIO PRAHAR. I am sure that this work will lead to improved food productivity in a very eco-friendly way.

Drug for faster cure of tuberculosis

Second achievement is the development of a drug for faster cure of tuberculosis. Modern medicine has always relied on newer scientific discoveries world over. Indian scientific research starts to focus in finding solutions to our problems, which can later on be applied to the people of other countries. In this regard, India has made a very significant contribution in developing a drug uniquely suitable for Indian ambience. One of the achievements comes from a laboratory of (CSIR), the Council of Scientific and Industrial Research. CSIR lab has developed a new therapeutic molecule for Tuberculosis. This molecule has shown the potential to cure TB in around 2 months, as against the standard treatment of 6 to 8 months. This breakthrough is very important as we have number of TB patients. After completing the pre-clinical studies, the molecule transformed into a drug is planned to undergo clinical trials in humans. It is commendable that the entire development has been done as a public-private partnership involving the Lupin, the three CSIR Laboratories, namely, Central Drug Research Institute, Indian Institute of Chemical Technology and National Chemical Laboratory, and the University of Hyderabad.

Nano tube filter - water purification

Third achievement is the development of a nano-tube filter. The scientists from Banaras Hindu University have devised a simple method to produce carbon nanotube filters that efficiently remove micro- to nano-scale contaminants from water and heavy hydrocarbons from petroleum. Made entirely of carbon nanotubes, the filters are easily manufactured using a novel method for controlling the cylindrical geometry of the structure. The work was supported in part by the Ministry of Human Resource Development and Department of Science and Technology in India.

The filters are hollow carbon cylinders several centimeters long and one or two centimeters wide with walls just one-third to one-half a millimeter thick. They are produced by spraying benzene into a tube-shaped quartz mold and heating the mold to 900 degree C. The nanotube composition makes the filters strong, reusable, and heat resistant, and they can be cleaned easily for reuse.

The carbon nanotube filters offer a level of precision suitable for different applications. The experiments demonstrated that the filters may be useful in producing high-octane gasoline. They also can remove 25-nanometer-sized polio viruses from water, as well as larger pathogens, such as E. coli and Staphylo-coccus aureus bacteria. The researchers believe this could make the filters adaptable to micro fluidics applications that separate chemicals in drug discovery.

This is a classic application of the latest in science, Nano science, to age-old problem of water purification. If properly used, this can help in lessening the burden in our drinking water missions leading to the availability of safe drinking water that will result in minimizing the water borne diseases.

Gene Chip

Fourth area, I would like to talk about is Gene Chip for curing heart diseases. Cardiomyopathy means "diseases of the heart muscle" which leads to heart failure or sudden death. There are 3 main types: Dilated, hypertrophic or restrictive Cardiomyopathy It progresses since childhood and the onset of the disease vary according to the family history. Although transplantation may be an effective strategy in these patients, its implementation is hindered by availability of donor as well as numerous ethical, social, economic and

legal issues. Similarly the mechanical cardiac assist devices are also not cost-effective for long-term usage in our population.

The Human Genome Project has increased the impact of genetics in medical science and practice. Genetics of Cardiomyopathy remain unknown. Also, the molecular etiology is not known in many cases of Cardiomyopathies affecting children as well as adults, with an annual incidence of 2-8 per 10,000 in the United States and Europe. Though there are reports on association of mutations in nuclear genome and Cardiomyopathy, quite a number of cases do not show any such mutations. As there is a close relationship with the cardiac muscle contraction and energy metabolism, it is quite reasonable to speculate the role of mitochondrial DNA variations as possible cause of these cases. Recent reports have shown evidence in support of the role of mitochondrial mutation in the pathogenesis of Cardiomyopathies in western population. There is no large sample study have been carried out so far to find molecular etiology of Cardiomyopathy in Indian population.

The scientists from International Centre for Biomedical Sciences and Technology (Research & Applications), have reported several novel mutations that could be the possible cause of the disease, and some pathogenic mutations whose role is proved in other mitochondrial diseases, by sequencing the 5 unrelated individuals with severe Cardiomyopathies. This is the first report of the mitochondrial DNA analysis of the cardiac patients from the Indian subcontinent. Fortunately the administering stem cell has found cure in AIIMS for the specific type of Cardiomyopathy.

Novel Detection Kit for HIV / AIDS

Fifth Area is about the development of a novel detection kit, NEVA-HIV to detect HIV (AIDS) in a drop of blood within three minutes. It is a single step test in which a drop of blood is mixed with a drop of a reagent on a glass slide. If the blood sample shows clumping, it is positive for HIV. This clumping of blood can be easily seen with the naked eye, hence the test is called the Naked Eye Visible Ag-gluti-nation assay or NEVA. This test uses recombinant proteins consisting of a monovalent fragment of an anti-human RBC monoclonal antibody fused to a specific protein antigen derived from HIV. These proteins cross-link RBCs in the presence of anti-HIV antibodies, which are present in the blood of HIV infected individuals. The test uses

recombinant proteins consisting of NEVA-HIV is one of the very few tests in the world that can be performed on whole blood, even from a finger prick. Developed, keeping in mind the practical constraints of HIV testing in our country, NEVA-HIV is an instrument-free test. In addition, the simplicity and rapidity of the test, makes it suitable for use in a primary health centre of a village even in a remote part of our country.

The test has been evaluated at several national reference centres and has been found to have high sensitivity and specificity. This novel scientific development has been carried out by the faculty members of Department of Biochemistry, University of Delhi in collaboration with the Department of Bio-technology and Cadila Pharmaceuticals Ltd., Ahmedabad.

Binary millisecond pulsar

Sixth area is the discovery of binary millisecond pulsar. A pulsar is the remnant of a star which exploded, leaving behind a sphere made up of neutrons just 20 kms in size but weighing more than the sun. The pulsar emits a beam of radio waves which is seen from the earth as a pulse every time it rotates. These waves are very weak, when they reach the earth. In order to detect the pulsar, one needs the Giant Metre-wave Radio Telescope (GMRT). The Tata Institute of Fundamental research (TIFR) has built the largest Radio telescope in the world in rural area near the village of Khodad, 80 km from Pune. Because of the unique capabilities of our GMRT, scientist from all over the world including USA and Canada visit the centre to conduct collaborative experiments. Our scientists played a leading role in the recent discovery of a new "Binary millisecond pulsar". Astronomy had been the strong point of ancient Indian science. Discoveries like the one that has been made by the scientists of the National Centre for Radio Astrophysics of TIFR, is an important contribution for Indian science.

India's Aspirations in Space

India's Space Programme had modest beginning in the year 1962 when we started experimenting with sounding rockets. Subsequently, I was given the opportunity to develop the nation first satellite launch vehicle SLV-3. Simultaneously expertise was built up in design and fabrication of multifunctional, multipurpose world class satellite as well as the ground segments associated with the tracking and controlling of the satellites, high

speed data reception and processing and the user applications. Today, the country is capable of launching any satellite in any orbit. Besides, the launching of satellites the plans for the future include a Lunar Mission in the year 2007. While Moon is within the reach of India, the Mars is not far away. One should start dreaming about the ways and means by which our planetary neighbourhood could be used far more effectively to enhance the quality of life in our own planet without causing any environmental degradation in the celestial scale.

Mars Exploration

I witnessed the spectacle of the red planet Mars in the midnight on 29 Aug 2003, with my friends through a telescope at Rashtrapati Bhavan. On that day, Mars was closest to the earth. The beautiful and colourful features of Mars in the southern sky and our expanding universe inspired me. Mars was inviting all our scientists to explore. I am convinced that Mars will become a sought after planet for human exploration for wealth and habitat, in a few decades. New technological advances in space research, material science, communication and transportation technology will make it possible. India's moon mission can pave the way for the next challenging mission to Mars.

The big scientific question towards the Mars Exploration is how the water activity in the past on Mars has influenced the red planet's environment over time. While presently liquid water has not been found on the surface of Mars, the past record of water activity on Mars can be found in the rocks, minerals, and geologic landforms, particularly in those that can only form in the presence of water. That's why NASA's Rovers are specially equipped with tools to study a diverse collection of rocks and soils that may hold clues to past water activity on Mars. The Rovers will offer unique contributions in pursuit of the overall Mars science strategy to "Follow the Water." Understanding the history of water on Mars is important for: Determining whether life ever arose on Mars, Characterizing the climate of Mars, Characterizing the Geology of Mars and Preparing for Human Exploration. Robot geologists can provide the much-needed first explorations on our pursuit to locate the signs of water activity on Mars.

I visualize, in another 50 years time, the results of inter planetary science leading to a human habitat, Industrial activity and above all the non-conventional energy generation, and space farming. The world space

community will realize the necessity for international co-operation for this great mission. India by her unique position in the world of space research would be able to contribute to this co-operation by sharing technologies, research and astronauts.

Conclusion

I would like to quote the message of Sir CV Raman to young graduates. The message is still reverberating in my mind: "We need a spirit of victory, a spirit that will carry us to our rightful place under the sun, a spirit which will recognize that we, as inheritors of a proud civilization, are entitled to a rightful place on this planet. If that indomitable spirit were to arise, nothing can hold us from achieving our rightful destiny." Those were the words from the Nobel laureate scientist of India. You would see the bridge of science and society.

Problems of the magnitude that would be faced in the future in Science and Technology would call for understanding and explaining Nature in her many manifestations and would require the best of minds in several continents to work together. I am aware of the great reputation of EPFL Lausanne. I hope that my visit would forge a greater interaction between the Scientists in India and Switzerland. It will benefit both the countries and also the entire community of Scientists across the world.

My best wishes.



631. Speech by President Dr. A. P. J. Abdul Kalam at the banquet hosted in his honour by the President of Switzerland.

Berne, May 27, 2005.

Your Excellency Mr. Samuel Schmid,
President of Switzerland,
Madam Verena Schmid,

Excellencies,

Members of the Federal Council of the Swiss Confederation,

Ladies and Gentlemen,

Switzerland is one of the oldest Federal democracies. India is the largest democracy in the world. When we join together and extend the hands of friendship, to me it looks like the two great mountains? The Alps and the Himalayas , both mighty mountain ranges, coming together to stand as towering examples of our time tested friendship.

Mr. President,

Your country has always been a great seat of learning and the fertile minds Switzerland has nurtured, is testimony to these credentials. This is the centenary year of Albert Einstein. His epochal papers in the Annalen der Physik, changed the course of physics. When I think of Einstein, I am reminded of the observation made by him about our father of the nation, Mahatma Gandhi, "Generations to come will scarcely believe that such one as this (Gandhiji) ever in flesh and blood walked upon this earth?".

I wish to add here that my visits to the CERN, EPFL, Lausanne and ETH Zurich, had further strengthened my views about the greatness and the sustained quality of the science and technology from your country. When I appreciate and understand their contributions, I do believe that there is a very good opportunity for cooperation between the two countries in science and technology to be intensified and to contribute to the cause of human welfare.

We are also inspired by the efforts of Swiss heroes like William Tell,

which show us that if we are determined and concentrated in our actions, no target is unachievable.

At the end of my visit and after the successful meetings that I had during the last few days, I am confident that our ties¹, would further be strengthened and make us succeed in our pursuits which will benefit not only our two countries but also the peoples of the world.

Excellency, on behalf of all my delegation and on my own personal behalf, I would like to take this opportunity to once again convey my sincerest appreciation, for the warm and friendly hospitality that you have extended.

It was a great gesture on your part Mr. President, that you chose to declare the day as 'Science day' on the occasion of my visit to various science laboratories here and my meeting with Scientists. I thank you for your thoughtfulness. With so many Scientific Institutions, Scientists and Nobel Laureates, Switzerland should genuinely have and be proud of the 'Science Day'. I am confident that my visit will further enhance the multi-faceted friendship between our two countries.

Excellency, Ladies and Gentlemen, may I invite you to join the toast to the:-

- health and well being of His Excellency President Schmid and Madam Verena Schmid,
- progress and prosperity of the friendly people of Switzerland; and
- further consolidation and strengthening of the traditional friendship between India and Switzerland.



1. The Official Spokesperson briefing the media in New Delhi on May 20 had spoken of the close ties of friendship between India and Switzerland that "are characterized by respect for democracy, rule of law, independent judiciary and free press. Switzerland is the 13th largest trading partner of India and ranks 16th in terms of approved investments. Bilateral trade (excluding gold) between the two countries was Swiss Franc 1.5 billion in 2004 (US \$ 1.3 billion) and is in favour of Switzerland. GOI had approved a total of 868 foreign collaboration proposals from Switzerland with an FDI element of US \$ 956.60 million. The actual inflow of FDI in respect of Swiss firms during this period amounted to USD \$ 522.6 million. There has been an upsurge in FDI in the first quarter of 2005 of about US\$ 800 million." The last Indian Presidential visit to Switzerland was by Shri V.V. Giri in 1970.

UKRAINE

632. Speech of President Dr. A. P. J. Abdul Kalam at the banquet hosted in his honour by the President of Ukraine Viktor Yushchenko.

Kiev, June 2, 2005.

Your Excellency President Viktor Yushchenko
Madam Yushchenko, the First Lady of Ukraine,
Distinguished Guests,

Ladies and Gentlemen,

I would like to thank you for the warmth of your welcome and the hospitality extended to me. I am honoured and privileged to be in this ancient city of Kiev, the cradle of a great civilization, which has had a widespread impact in the region.

Excellency, India and Ukraine share traditional ties of friendship, trust and cooperation, which go back to many decades and have stood the test of time. The common bond of democracy is a new link. The discussions held between us today bear testimony to the strength of our close partnership and re-affirms our friendly ties. We remember with gratitude the work of Ukrainian engineers and scientists who helped us in our national development and in the construction of what our former Prime Minister called the "temples of modern India", our factories, steel plants and hydropower projects. I am happy to note that India and Ukraine have very productive exchanges and cooperation in the area of science and technology and space. These exchanges have been to our mutual benefit and I am confident that experts from both our countries would continue to work together to strengthen these ties and expand collaboration in new areas such as molecular biology, genetics, stem cell research, information technology, material sciences and other areas of mutual interest.

It is a matter of satisfaction that our bilateral trade doubled itself in 2004 compared to what it was two years before and today reflects a healthy figure of about \$700 million. I believe that we expect to reach one billion dollars by 2006. There are many opportunities for cooperation between the two nations, which has the potential to enhance the trade and business to

minimum \$5 billion by 2010. I am confident, given the interest and commitments that exist in both countries, that we will meet this target. We also need to focus on promoting investments and reducing trade barriers. Many Indian companies are present in Ukraine.

At the same time Ukrainian entrepreneurs could look for opportunities for trade and investment in India. India has emerged as a competitive provider of goods and services to the world economy. As such it may make sound business sense for Ukraine to source for example pharmaceuticals or information technology services from India. Our common efforts should contribute to taking our economic and commercial relations to higher levels.

We are living in a globalized world and there is a healthy growth in our interdependence. There are critics of this process who are worried by the impact of globalization on the poor. We are responsible members of the world community and democracies have the responsibility of ensuring that globalization of the world economy takes place in an equitable manner and that right of the weak and poor are not trampled. Our march towards the future has to be consistent with the principles of equity and democracy.

In the above context, changes are needed in the world's multilateral institutional architecture. The UN is an august and widely respected body, which enjoys the trust and faith of our two countries. However, it does not fully reflect the realities in today's fast changing world. One of my Government's foreign policy priorities is to seek greater democratization of the UN and its Security Council¹.

I have been moved by the respect and admiration for and depth of knowledge of Indian culture and art shown by the Ukrainian people. Cultural contacts between our two great nations will help strengthen bilateral ties and the foundation of friendship at the people to people level. Consciousness about Indian spiritual and cultural traditions also permeates in the thinking of the greatest sons of Ukraine. In this context, Ivan Franko's Hymn to Buddha, so eloquently captures the quintessence of Indian spiritual thought and at the same time the ephemeral nature of power.

1. Ukraine was supportive of Indian claim to permanent membership of the Security Council. On June 2 the Ukrainian President Viktor Yushchenko told a press conference in Kiev that "we think India deserves to be on the United Nations Security Council and we also appreciate an East European on it."

"All hail, Buddha, to thee!
The light of our dark life!
Thou miracle, thou world
Of peace in furious strife!
Majestic, placid, still,
Thou didst eradicate
The allurements of a throne,
The powers of love and hate."

Excellency, Ladies and Gentlemen, May I now request all the distinguished guests to join me in raising a toast:

- to the personal good health and happiness of His Excellency Mr. Viktor Yushchenko, President of Ukraine and Madam Yushchenko.
- to the well-being and prosperity of the people of Ukraine; and
- to the friendship between India and Ukraine.



633. Address by President Dr. A. P. J. Abdul Kalam at the Verkhovna Rada (Parliament)**Kiev, June 2, 2005.****Dynamics of National Development**

Your Excellency Chairman, distinguished members of Verkhovna Rada and guests. I am very happy to be present in the Verkhovna Rada of Ukraine. At the outset, let me convey the greetings and best wishes for Ukraine from the one billion people of democratic India. When I am in your Parliament, I salute all the valiant sons and daughters of Ukraine who have struggled for many centuries for the human values that we all cherish. I greet you for the successful transformation towards democracy. We consider democracy as part of our life for more than 50 years.

Friends, when I am in your beautiful city Kyiv, I realize that city has a history of more than thousand years and is the pioneering city in the region. Also I feel for the sacrifices made by the people of Ukraine during the Second World War in fighting against Nazi occupation. Recently Ukraine has witnessed a peaceful revolution to establish a democratically elected government. Your President today, during my meeting with him referred to the revolution and the way it was fought, using the principles of non-violence followed by Mahatma Gandhi in fighting India's freedom movement.

Ambience in India

A new situation is emerging in the national scene of India. In the Indian history, very rarely we have come across a situation, all at a time, an ascending economic trajectory, continuously rising foreign exchange reserve, global recognition of technological competence, energy of 540 million youth, umbilical connectivities of 20 million people of Indian origin in various parts of the planet, and the interest shown by many developed countries to invest in our engineers and scientists including setting up of new R&D centers. Also the national policy of our Government emphasizes economic development by ensuring growth rate of 7% to 8% annually, enhancing the welfare of the farmers and workers and unleashing the creativity of the entrepreneurs, business leaders, scientists, engineers and other productive forces of the society. My Government has recently

announced a "Bharat Nirman" programme for the development of Rural Areas with an outlay of \$35 Billion.

More over, the peace process between India and Pakistan is going on in a positive direction. The Chinese Prime Minister paid a visit to India and had very good discussions on bilateral issues. The ambience created so far would permit us to concentrate more on our energy and efforts towards the economic development of the nation. Our relationship with the countries in SAARC, ASEAN and other countries also vindicate the fact India is a peace loving and friendly nation.

Strengths of Ukraine

I realize Ukraine is blessed with lot of natural resources such as minerals, materials and large agricultural lands and blessed with water. You have a large number of human resources including Information Technology, Material Science. Ukraine's ability to produce food for meeting the needs of neighbouring countries is well known. Ukraine has continuously established the GDP growth of over 8 to 9% in the last few years. In this scenario, I am confident that the economic development of Ukraine in industrial, agricultural and service sector is imminent. After all, the natural resources and more importantly the people of the Ukraine are the creator's best for your country.

With the present economic progress and peaceful situation around us, the time is ripe for both of us to collaborate on new ventures to give added momentum to our economic growth.

Now I would like to share about the vision of India transforming into a developed nation by the year 2020.

Our National mission - challenges

Our GDP is growing at more than 6% per annum on an average. We are aiming at a growth rate of 10 % per annum consistently, for over a decade. Today's India is producing 200 Million tonnes of food and some portion of the food is being exported. We are the largest producers of milk in the world and the second largest producer of fruits and vegetables. The industrial production is in the ascent phase. Our growth rate in industry has increased to 8.6%. Particularly, in the area of ICT, the growth of the software development and production has reached an export revenue to \$18 billion

and it is growing at 34%. In order to become the developed nation, we have a roadmap and action plan, which I would like to share with you.

Integrated action: To meet the need of one billion people, we have the mission of transforming India into a developed nation. We have identified five areas where India has a core competence for integrated action:

- (1) Agriculture and food processing
- (2) Reliable and Quality Electric power, Surface transport and Infrastructure for all parts of the country.
- (3) Education and Healthcare
- (4) Information and Communication Technology
- (5) Strategic sectors.

These five areas are closely inter-related and if well done would lead to national, food, economic and security.

Engines for Growth: Emphasis should be on full utilization of natural and human resources of the nation to meet the demands of the modern society. We should also remember that about 54% of our population is young people with aspirations for better living. Value addition to Agriculture, Manufacturing and Service sectors, building the national core competence and technologies will lead to additional high income employment potential. The engines for growth will be accelerated by the launching of the five national missions viz. water, energy, education and skills, infrastructure and employment generation that will enable achievement of 10% GDP growth rate per annum. It is possible to do so with ecological and economic sustainability.

With these aspects, we have already laid down the road map. The priority for the government is to convert the road map into various missions. Some of the missions are already in progress such as PURA (Providing Urban Amenities in Rural Areas).

PURA (Providing Urban Amenities in Rural Areas)

Nearly 700 million people of India live in the rural areas in 600,000 villages. Connectivity of village complexes providing economic opportunities to all segments of people is an urgent need to bridge the rural-urban divide,

generate employment and enhance rural prosperity. The essential needs of the villages today are water, power, road, sanitation, and healthcare, education and employment generation.

Essential Connectivities through PURA: The integrated methods, which will bring prosperity to rural India are: the physical connectivity of the village clusters through quality roads and transport; electronic connectivity through tele-communication with high bandwidth fiber optic cables reaching the rural areas from urban cities and through internet kiosks; knowledge connectivity through education, vocational training for farmers, artisans and craftsmen and entrepreneurship programmes; these three connectivities will lead to economic connectivity through starting of enterprises with the help of banks, micro credits and marketing the products.

Collaboration with Ukraine

Our two nations have got a tremendous potential to be partners in leading our people to prosperity. Both our countries have a civilizational heritage. This is the inspiration for our two nations to work together. The prosperity of a nation comes only from its people, by their knowledge, by their hard work based on the core competence of the nation. It will be beneficial to both the countries if we share our experiences in implementing various development missions including PURA. This may lead to the industrial collaborations and creation of joint ventures between the two countries in many domains. I am sure that between India and Ukraine we can develop the state of the art products and put them just in time in the world market in a competitive way.

India, over the years has developed a very strong base in space technology. In particular, it has the competence to launch any satellite in any orbit. It also has the experience of putting the satellite in space and utilizing them for remote sensing, communication, meteorology with specific application for earth observation, education, health care, agriculture, water management and entertainment. With your vast experience in space research, space technology, together we can explore many exciting opportunities in space technology in future through joint programmes. Sharing of experiences and the knowledge in an area like space technology will significantly cut down the cost and time to our mutual benefits.

When I look at the common and complementary competencies of

the two nations, the collaboration in the areas of Pharma, Information and Communication technology, Biotechnology, Material Science would also pay rich dividends and pave the way for leadership in new and emerging areas. This will increase the present trade and business between the two countries from around \$700 million in 2004 to minimum \$5 billion by 2010.

Aspirations of the youth

I have met over six hundred thousand students during my visits to various parts of my country. Also, I have met thousands of children during my visit to various countries during the last two years. After meeting the youth below 17 years and interacting with them, I have a message, "youth only can bring peace and prosperity together to this troubled planet of ours."

Finally, the people of Ukraine and the people of India would like to live in a peaceful world. Peace comes to the world only if we have a world body which is not actuated by any individual country due to its funding pattern. In 1945, when United Nations was formed, its mission was to resolve all the conflicts between countries in the preliminary stage itself, so that it does not take the shape of the war. In recent times, in spite of the UN, we have seen wars in Afghanistan and Iraq. Therefore UN needs reform. Mr. Chairman, the democratic India with billion people having multi-religious, multi-linguistic and multi-ethnic character needs to find a place as a permanent member of the united nations security council for making the UN more purposeful. I am thankful to the leaders and the people of Ukraine for the support extended for the candidature of India as a permanent member in the expanded United Nations Security Council.

Conclusion: Righteousness

For overall development of citizens and success in whatever profession we pursue, righteousness in thinking, conduct and action is the key. I would like to recite a divine hymn which I heard in a spiritual centre. The name of the hymn is 'Peace in the World':

Where there is righteousness in the heart

There is beauty in the character.

When there is beauty in the character,

There is harmony in the home.

When there is harmony in the home.

There is an order in the nation.

When there is order in the nation,

There is peace in the world.

Friends, we can see a beautiful connectivity between heart, character, nation and the world. How to inject righteousness in the human heart? This is indeed the purpose of human creation - that is divinity. We are going through a complex situation as many of us are completely at war with ourselves, with society and with nation. At every instant there is a war in our mind, whether we should go in one direction or another. Whenever there is a dilemma, we must seek the wisdom from the Almighty to lead us to the path of righteousness through education with value system.

My best wishes to the members of the Verkhovna Rada and the people of Ukraine for making Ukraine a happy, prosperous and peaceful nation.



634. Speech of President Dr. A. P. J. Abdul Kalam at the meeting with the teaching staff and students of the Kiev National T. Shevchenko University.

Kiev, June 3, 2005.

I am indeed delighted to be in Kyiv National T. Shevchenko University and address the Students and faculty members of this prestigious University. When I am in this University, I realize that this university has got a great tradition and history. The university has created the great personalities like the mathematician V. Yermakov, Physicists M. Shiller, Chemist A. Kipriakov, Historians M. Kostomarov, Specialist in Medicine V. Bets. Just when I was entering into your campus, I am reminded of an event which took place a few weeks back in India.

Synergy between Universities

I witnessed on 27th April 2005, in the Rashtrapati Bhavan, an

agreement being signed between three Indian Universities which are hundred and fifty years old namely University of Madras, University of Bombay and University of Calcutta for reinforcing the curriculum of each other, enhancing the research programmes and quality of teaching through synergy between the Universities for transforming them into great educational centres of 21st century. The similarity between the Kyiv National T.Shevchenko University and the three Universities is that both have a long history and tradition but the three Indian Universities are younger by ten years in comparison to Kyiv National T.Shevchenko University. With its innate strengths in history, law, economy, mathematics, physics, chemistry and botany, the Kyiv National T.Shevchenko University and our three Universities can have co-operative programmes for exchanging teachers, researchers and students. Even we can establish a school of societal transformation which can transform our nations into knowledge society.

Evolution of enriched societies

We have multiple societies in every nation starting from agricultural society, industrial society, and information society leading to knowledge society. During the 20th century, societies underwent a change from the agricultural society, where manual labour was the critical factor to the industrial society, where the management of technology, capital, and labour provided the competitive advantage. The information era was born in the last decade. Networking within the country and with the other nations and the software products drove the economies. Some of the nations including India utilized this opportunity. In this decade we are just entering into knowledge society era.

The uniqueness of knowledge society is enriching the information society with innovation and value addition of products. The knowledge also enables value addition to the other three societies. In knowledge society, knowledge is the primary production resource instead of capital or labour. In India, I chaired a task team constituted by the Government of India sometime back for evolving a road map for transforming the Indian society into a knowledge society. I would like to discuss with you how we can work together to make our societies enriched by knowledge and transforming them into knowledge society.

Knowledge can create a comprehensive wealth for the nation and also improve the quality of life, in the form of better health, education,

infrastructure, and other societal needs. The ability to create and maintain a knowledge society infrastructure, develop the knowledge workers, and enhance their productivity through the creation, growth, and utilization of new knowledge, will be the key factor in deciding the prosperity of this knowledge society. Whether or not a nation has developed into a knowledge society is judged by the way, it creates and deploys knowledge in the sectors like ICT, Manufacturing, Agriculture, and Healthcare and so on.

Dimensions of Knowledge Society

I was studying the dimensions of knowledge society and how will it be different from the industrial economy. In the knowledge economy the objective of a society changes from fulfilling the basic needs of all round development to empowerment. The education system instead of going by text book, teaching will be promoted by creative, interactive self learning, formal and informal with focus on values, merit and quality. The workers instead of being skilled or semi-skilled will be knowledgeable, self-empowered and flexibly skilled and would adapt to newer technologies seamlessly. The type of work instead of being structured and hardware driven will be less structured and software driven. Management style will emphasize more on delegation rather than giving command. Impact on environment and ecology will be strikingly less compared to the industrial economy.

Hence the economy will be knowledge driven and not industry driven for which special capacities need to be built in education and nurtured among the students. The capacities which are required to be built are research and enquiry, creativity, use of high technology, entrepreneurial and moral leadership.

Scientific challenges for the future

In the last three decades, we have witnessed an unstinted growth in miniaturization of IT products in the world. Central to this is the silicon technology. The feature size of the transistors has been decreasing relentlessly. It is predicted that the miniaturization using silicon - micro electronics will find its plateau and its limit will be reached within the next decade. The world is on the lookout for an alternative to silicon. The transformation from microelectronics to the nano science and nano technology is knocking at our doors. The endless alternatives include

molecular transistors, quantum computing, nano electronics and so on. India and Ukraine have a good science base needed for being a pioneer in making this breakthrough a reality.

In addition to the above, the challenges facing the scientists in the coming decades will be the development of anti vaccine for HIV/AIDS and development of seeds for agricultural products which requires minimum water and can provide high yield per hectare to compensate the reduced availability of land. Apart from this, there is a need to work on thorium based nuclear power plants, integrated mission for stem cell research, launching of hypersonic reusable launch vehicle and take discoveries and innovations to provide better quality of life to the differently challenged people. These are some of the challenges facing the scientific community in the coming decades.

Conclusion

The new scientific, technological and cultural mission emerged in the independent Ukraine. Definitely, in India we have a similar ambience. The whole nation is focused on transforming the country into a developed India by the year 2020.

Science and Technology is playing a very important role in realizing this transformation. We are working on Second Green Revolution which focuses on agro processing and marketing, knowledge product development in ICT, precision manufacturing, nano science and technology and Pharma industries with molecule to drug development research and space technologies.

We can work together in space research, nano science, mathematical science and information technology. The product which we choose should become a pioneering product within the next few years. This will enable marketing of the product with in the shelf-life of the product globally.

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Ukraine and India have a tradition of knowledge and have civilizational strength. Through this strength we can definitely build a prosperous society. A prosperous society with civilizational strength will lead to peace. Let us commence a new journey in this planet to bring global peace.



635. Address by President Dr. A. P. J. Abdul Kalam and Interaction at the National Academy of Sciences, Ukraine.

June 3, 2005.

I am delighted to be with the members of National Academy of Sciences of Ukraine. I appreciate the extraordinary contribution made by the scientists of the academy to many areas of science and technology including aerospace. When in the midst of academicians of Ukraine, I would like to convey the greetings from the scientists of India. I realize that you are already working with many Indian scientists and there are tremendous opportunities for both teams to work together to lead our nations to be technologically strong. I am reminded of your scientists WAKSMAN, SELMAN ABRAHAM "for his discovery of streptomycin, the first antibiotic effective against tuberculosis" which got a Nobel Prize. I wish you many more Nobel prizes for your country. India had many Nobel Laureates in various fields such as CV Raman - "for his work on the scattering of light and for the discovery of the effect named after him", Chandrasekhar Subramaniam - "for his theoretical studies of the physical processes of

importance to the structure and evolution of the stars" and KHORANA, HAR GOBIND "for interpretation of the genetic code and its function in protein synthesis". Now I would like to share with you some of the recent scientific and technological achievements of India.

It was a beautiful experience for me and the nation, when the 6th in the successful series of Polar Satellite Launch Vehicle (PSLV) taking off with two spacecrafts from Satish Dhawan Space Centre, Sriharikota on 5th May 2005.

The satellite CARTOSAT-I was injected in the polar orbit of 618 km., it has become world class earth mapper. The mission of PSLV from take off to injection of the satellites to the required orbit was achieved within 18 minutes with precision. I congratulated the Chairman, ISRO and his team for this great event. Let me talk to you, what the CARTOSAT will provide to the nation. CARTOSAT is the eleventh satellite in the Indian remote sensing satellite series, it has twin camera systems that give together stereoscopic imaging capability along the track providing 2.5 mtr spatial resolution and swath (width) of 30 km. The satellite has a control capability to revisit any part of our country within 5 days and transmit data in X-Band mode. A unique feature this satellite has got onboard compression and encryption with RF system of phased array antennas with 64 elements. The CARTOSAT-I with its stereoscopic imaging capability along the track will provide the country 3-D digital mapping capability. CARTOSAT-1 will find applications related to land, water and environment management and to provide disaster management support. It will enable generation of large scale base maps, thematic maps, national level digital elevation model, digital terrain model, contour interval mapping to the extent of around 10 meters. The data from CARTOSAT-1 in conjunction with other IRS Satellite data will be useful in applications such as mapping of settlements, urban utility mapping, delineation of water shed. Digital terrain model with improved accuracies will find applications in inter-river basin studies pertaining to interlinking of rivers and urban and rural infrastructure development such as rural road connectivity and alignment of national railway lines.

Another important application, would be in the area of disaster management, to determine the extent of damage and the type of emergency assistance needed. This has been made possible by our Space Scientists by using the high resolution stereoscopic imagery from CARTOSAT-1. I

am very happy to know from our space scientists that on May 7 and 8, the Cameras onboard the satellite have been tested and they have reported excellent performance. Further, ISRO scientists have reported the fine tuning the path of the satellite in the orbit is progressing in circularization and inclination needed with respect to the equator. This successful mission of CARTOSAT-1 has definitely provided leadership to our country in the earth mapping technology in the world. We can look for another mission from ISRO in September this year: the launch of CARTOSAT-II.

HAMSATHAMSAT is a micro satellite for providing satellite based Amateur Radio Services to the national as well as the international community of Amateur Radio Operators (HAMS). Launched as an auxiliary payload along with CARTOSAT-1, the 42.5 kg HAMSAT will meet the long felt need of the Amateur Radio Operators in the South Asian region who possess the required equipment and to operate in the UHF/VHF band based satellite radio communication. One of the transponders of HAMSAT has been developed indigenously involving Indian HAMSs, with the expertise of ISRO and the experience of AMSAT-INDIA. The second transponder has been developed by a Dutch Amateur Radio Operator and Graduate Engineering student at Higher Technical Institute, Venlo, The Netherlands.

HAMSAT is India's contribution to the International community of Amateur Radio Operators. This effort is also meant to bring ISRO's satellite services within the reach of the common man and popularize space technology among the masses. This satellite will play a valuable role in the national and international scenario by providing a low cost readily accessible and reliable means of communication during emergencies and calamities like floods, earthquakes, etc. Besides, it will stimulate technical interest and awareness among the younger generation by providing them with an opportunity to develop their technological projects including offering a platform. Just now I was talking to you how a Dutch graduate engineering student participated in the HAMSAT programme. In this context, I would like to refer the programme of micro satellite development by ISRO and Anna University as a cooperative mission. This event of micro satellite in space will definitely ignite the minds of academic community of our nation towards space research.

ISRO and its partners, have made the country one of the leaders, in space technology. India's first 540 MWe Pressurized Heavy Water

ReactorNow friends, let me share with you, another equally important milestone, India has achieved through our nuclear scientists and technologists, in power generation using nuclear technology.

India's first 540 MWe Pressurized Heavy Water Reactor (PHWR), built based on indigenous technology at Tarapur, Maharashtra became critical on 6th March 2005. It is the largest indigenously designed and built power reactor in the country. The commissioning of this nuclear reactor, has indeed established our technological and managerial leadership.

The design of the reactor incorporates all the basic features of the existing PHWRs. The safety features in the existing 220 MWe units, such as fast acting diverse independent shutdown systems, high pressure emergency core cooling systems, double containment, supplementary control room along with the safety objectives like redundancy diversity, avoidance of common cause failure have been incorporated in these 540 MWe units. However, extensive theoretical and experimental development followed by manufacturing was necessary for implementing these features. Apart from this, there have been additional design innovations, which were driven with the objective of maintaining and improving the indigenisation of nuclear power plant components. Certain equipments have been redesigned so that their manufacturing is within the capability of Indian industry. The project at Tarapur comprises of a twin-unit station of PHWR type, each of 540 MWe installed capacity and are being built adjacent to the existing two units of smaller size. The first concrete (Grade M-60) was poured on 8th March, 2000 and criticality has thus been achieved in less than 5 years.

This is for the first time that Nuclear Power Corporation of India Limited (NPCIL) has established an automatic computer controlled batching plant and concrete was pumped to the place of concreting. Unlike earlier projects, permanent cranes and hoists were installed and commissioned in their respective position well in advance along with civil construction so that they could be made available for erection jobs inside the buildings. With the help of a heavy-duty crawler crane, the lowering of steam generator into position was completed in just three hours as against more than one month in earlier projects. Overall plant execution was done by contracting out packages of activities rather than single activities. This approach simplifies coordination, and therefore increases speed of execution of various

works. This technological and project management experience will be useful for our future high-tech programme.

Various tests are being conducted on the unit before it is connected to the grid in the next few days and starts feeding power. Completing of this project in a record time of less than 5 years is a testimony to the level of maturity that has been achieved by the Indian industry and the NPCIL. At this point it is important to remember that nuclear electric power is vital for country's energy security and better quality of life of the people. When I visited project site of Tarapur plant in 2001, I was very happy to see the engineers and staff of NPCIL working round the clock with the pride that they are going to built the first Indigenous 540 MWe power station. They have done it and India is proud of them. I am sure our nuclear scientists and technologists will add to our country 20,000 MWe power by the year 2020 as the vision propounded by our Department of Atomic Energy.

Bio-pesticide development

A research mission has been taken up by International centre for Genetic Engineering and Bio-technology to isolate a bacterium from soil dwelling nematode, which is highly pathogenic to insects. Sustained research and field trials during the last two years, at various locations in the country, of the formulation consisting of bacterium has led to successful optimized formulation resulting in a viable bio-pesticide. As reported, the formulation is effective in agricultural and horticultural insect pests like diamond back moth of cabbage and cauliflower, mealy bugs of citrus fruits and grapes and termites in teak plantation. White woolly aphid of sugar cane, which is a major factor in reducing the sugar production of Maharashtra, Karnataka and Andhra Pradesh, is effectively controlled by the bio-pesticide. Its efficacy is comparable to the chemical insecticide. This scientific research leading to technology has been transferred to a startup bio-tech company Nirmal seeds Ltd and it is marketed under the brand name, BIO PRAHAR. I am sure that this work will lead to improved food productivity in a very eco-friendly way.

Drug for faster cure of tuberculosis

Modern medicine has always relied on newer scientific discoveries world over. Indian scientific research starts to focus in finding solutions to

our problems, which can later on be applied to the people of other countries. In this regard, India has made a very significant contribution in developing a drug uniquely suitable for Indian ambience. One of the achievements comes from a laboratory of (CSIR), the Council of Scientific and Industrial Research. CSIR lab has developed a new therapeutic molecule for Tuberculosis. This molecule has shown the potential to cure TB in around 2 months, as against the standard treatment of 6 to 8 months. This breakthrough is very important as we have number of TB patients. After completing the pre-clinical studies, the molecule transformed into a drug is planned to undergo clinical trials in humans. It is commendable that the entire development has been done as a public-private partnership involving the Lupin, the three CSIR Laboratories, namely, Central Drug Research Institute, Indian Institute of Chemical Technology and National Chemical Laboratory, and the University of Hyderabad.

Nano tube filter - water purification

The scientists from Banaras Hindu University have devised a simple method to produce carbon nanotube filters that efficiently remove micro- to nano-scale contaminants from water and heavy hydrocarbons from petroleum. Made entirely of carbon nanotubes, the filters are easily manufactured using a novel method for controlling the cylindrical geometry of the structure. The work was supported in part by the Ministry of Human Resource Development and Department of Science and Technology in India.

The filters are hollow carbon cylinders several centimeters long and one or two centimeters wide with walls just one-third to one-half a millimeter thick. They are produced by spraying benzene into a tube-shaped quartz mold and heating the mold to 900° C. The nanotube composition makes the filters strong, reusable, and heat resistant, and they can be cleaned easily for reuse. The carbon nanotube filters offer a level of precision suitable for different applications. The experiments demonstrated that the filters may be useful in producing high-octane gasoline. They also can remove 25-nanometer-sized polio viruses from water, as well as larger pathogens, such as E. coli and Staphylo-coccus aau-re-us bacteria. The researchers believe this could make the filters adaptable to micro fluidics applications that separate chemicals in drug discovery.

This is a classic application of the latest in science - Nano science,

to age old problem of water purification. If properly used, this can help in lessening the burden in our drinking water missions leading to the availability of safe drinking water that will result in minimizing the water borne diseases.

Gene Chip

Now, I would like to talk about is Gene Chip for curing heart diseases. Cardiomyopathy means "diseases of the heart muscle" which leads to heart failure or sudden death. There are 3 main types: Dilated, hypertrophic or restrictive Cardiomyopathy. It progresses since childhood and the onset of the disease vary according to the family history. Although transplantation may be an effective strategy in these patients, its implementation is hindered by availability of donor as well as numerous ethical, social, economic and legal issues. Similarly the mechanical cardiac assist devices are also not cost-effective for long-term usage in our population.

The Human Genome Project has increased the impact of genetics in medical science and practice. Genetics of Cardiomyopathy remain unknown. Also, the molecular etiology is not known in many cases of Cardiomyopathies affecting children as well as adults, with an annual incidence of 2-8 per 10,000 in the United States and Europe. Though there are reports on association of mutations in nuclear genome and Cardiomyopathy, quite a number of cases do not show any such mutations. As there is a close relationship with the cardiac muscle contraction and energy metabolism, it is quite reasonable to speculate the role of mitochondrial DNA variations as possible cause of these cases. Recent reports have shown evidence in support of the role of mitochondrial mutation in the pathogenesis of Cardiomyopathies in western population. There is no large sample study have been carried out so far to find molecular etiology of Cardiomyopathy in Indian population.

The scientists from International Centre for Biomedical Sciences and Technology (Research & Applications), have reported several novel mutations that could be the possible cause of the disease, and some pathogenic mutations whose role is proved in other mitochondrial diseases, by sequencing the 5 unrelated individuals with severe Cardiomyopathies. This is the first report of the mitochondrial DNA analysis of the cardiac patients from the Indian subcontinent. Fortunately the administering stem cell has found cure in AIIMS for the specific type of Cardiomyopathy.

Novel Detection Kit for HIV / AIDS

The development of a novel detection kit, NEVA-HIV detects HIV (AIDS) in a drop of blood within three minutes. It is a single step test in which a drop of blood is mixed with a drop of a reagent on a glass slide. If the blood sample shows clumping, it is positive for HIV. This clumping of blood can be easily seen with the naked eye, hence the test is called the Naked Eye Visible Ag-gluti-nation assay or NEVA. This test uses recombinant proteins consisting of a monovalent fragment of an anti-human RBC monoclonal antibody fused to a specific protein antigen derived from HIV. These proteins cross-link RBCs in the presence of anti-HIV antibodies, which are present in the blood of HIV infected individuals.

The test uses recombinant proteins consisting of NEVA-HIV is one of the very few tests in the world that can be performed on whole blood, even from a finger prick. Developed, keeping in mind the practical constraints of HIV testing in our country, NEVA-HIV is an instrument-free test. In addition, the simplicity and rapidity of the test, makes it suitable for use in a primary health centre of a village even in a remote part of our country. The test has been evaluated at several national reference centres and has been found to have high sensitivity and specificity. This novel scientific development has been carried out by the faculty members of Department of Biochemistry, University of Delhi in collaboration with the Department of Bio-technology and Cadila Pharmaceuticals Ltd., Ahmedabad.

Binary millisecond pulsar

The discovery of binary millisecond pulsar is the remnant of a star which exploded, leaving behind a sphere made up of neutrons just 20 kms in size but weighing more than the sun. The pulsar emits a beam of radio waves which is seen from the earth as a pulse every time it rotates. These waves are very weak, when they reach the earth. In order to detect the pulsar, one needs the Giant Metre-wave Radio Telescope (GMRT). The Tata Institute of Fundamental research (TIFR) has built the largest Radio telescope in the world in rural area near the village of Khodad, 80 km from Pune. Because of the unique capabilities of our GMRT, scientist from all over the world including USA and Canada visit the centre to conduct collaborative experiments. Our scientists played a leading role in the recent discovery of a new "Binary millisecond pulsar". Astronomy had been the

strong point of ancient Indian science. Discoveries like the one that has been made by the scientists of the National Centre for Radio Astrophysics of TIFR, is an important contribution for Indian science.

Conclusion

I am sure there will be many such science and technological breakthroughs in Ukraine through this academy. I would suggest Indian and Ukraine scientists can study the respective scientific achievements and select few areas using convergence of science and technology. These area could include solar power generation using CNT based photovoltaic cells. Similarly the application of nano technology for CNT based bio-sensors used in treatment of Parkinson diseases. Another area could be generation of nuclear power through the thorium based reactors. I am sure the scientists from both the countries can study these areas and come out with concrete proposals for joint research and collaborative programmes.



UNITED KINGDOM

636. Joint press conference by British Foreign Secretary Jack Straw and External Affairs Minister K. Natwar Singh during the visit of the British Foreign Secretary.

New Delhi, February 18, 2005.

Mr. Natwar Singh : It is a great pleasure to welcome Foreign Secretary Jack Straw to India. Mr. Straw is a friend of India and has visited India several times. This is our fourth meeting since June last year. I look forward to many more without predicting the outcome of your elections but I wish you good luck. Strong bilateral ties are a priority for both our countries, given our shared history, cooperation on issues of core concern, substantial economic and cultural linkages and the large community of Indian origin that have made the UK their home.

The Joint Declaration that our Prime Ministers issued during Dr. Manmohan Singh's visit to London last September has set out an ambitious agenda covering all the various areas of our Strategic Partnership. Action on virtually all these areas is well underway. A Joint Economic and Trade Committee was launched last month during the visit of Secretary of Trade Patricia Hewitt. An Economic and Financial Dialogue was launched by our Finance Minister and Chancellor Gordon Brown in London earlier this month. We also held a very successful meeting of the India-UK Round Table, a few weeks back. Foreign Office Consultations are to be held next month.

Bilateral Cooperation in Home Affairs is one of the important areas identified in the Joint Declaration. This morning, India and UK have signed the Agreement on Transfer of Prisoners and also renewed the MoU on return of illegal immigrants. We also appreciate the decision of the British Government to include India in the 'White list' of safe countries from where asylum requests are presumed to be normally false. We hope that this measure will shortly get the approval of the British Parliament.

We are indeed developing our bilateral relations into a vibrant and dynamic strategic partnership.

We hope to work closely with you during your Presidency of the G-8 and its forthcoming Presidency of the EU. We expect to host the India-EU

Summit under the UK Presidency in New Delhi and to welcome the British Prime Minister to our country later this year.

Both India and UK believe in a strong multilateral system and are committed to the effective functioning of the United Nations. We are deeply appreciative of UK extending its support to India's candidature for the permanent membership of the expanded UNSC.

We have discussed all these issues. We also had a good exchange of views on developments in our neighbourhood. I briefed Mr. Straw on my recent visit to Afghanistan and to Pakistan.

On Nepal, we noted that the international community has strongly deplored the recent developments in Nepal, which constitute a serious setback to the cause of democracy in that country and are a cause of grave concern to us all.

We agreed on the urgent need for restoration of normal democratic processes, release of political prisoners and the lifting of censorship on the media. The UK and India would continue to be in close touch with each other concerning further developments in Nepal.

Mr. Jack Straw : Thank you very much, Foreign Minister Natwar Singh. I would like to thank you very warmly for the wonderful welcome which I have received here in India, which I think really does speak volumes for the relationship between our two countries.

As you have mentioned, our Prime Ministers when they met last September, when Dr. Manmohan Singh saw Prime Minister Tony Blair in London, agreed that there should be a comprehensive strategic partnership between our countries. What we and other cabinet ministers in both Governments have been seeking to do since then is to make a practical reality out of that agreement. I venture to suggest, from very long standing contact and many visits to India, that one's relations have always been good. So, in the period that I have been coming backwards and forwards, relations have never been better between India and the United Kingdom as they are today. They I think are set to go from strength to strength.

As you have indicated, I have today with Home Minister Patil signed two important agreements. I am very grateful for your Government for them.

One is the renewal of the Memorandum of Understanding on asylum returns and the second is an agreement on prisoner transfers. I would like to say that I take particular pleasure in signing that agreement because I first discussed the possibility of a prisoner transfer agreement on an official visit to India in September 2000 when I was the Home Minister and I met my then counterpart Home Minister Mr. Advani. It was the 5th of September 2000.

The economic relationship is in very good health. Trade in goods and services, I am told, has reached 10 billion US dollars this year. Again as you have drawn to our colleagues' attention, we work ever more closely on international security. This week, together with the United States we have both temporarily recalled our Ambassadors from Nepal to express our profound concerns about the disturbing situation which has happened there. We are very keen to see the restoration of representative government and of democratic freedoms as essential steps towards a sustainable peace process. We do not believe there is any future from the current situation.

I followed you into Afghanistan and preceded you into Pakistan. As we both agreed, Afghanistan is very cold, very very cold. But I think you have the worst of it, Minister, I am sorry about that.

It is my fourth visit to Afghanistan in three years. There is no question of a dramatic change but for the better that has taken place certainly in Kabul (where) I have been but in Afghanistan as a whole in the intervening period since I first went there three years ago. It is good we have had the elections. Afghan Government and the society is going to need a lot of further support. We look forward to the national Parliamentary and Provincial elections taking place by the end of Spring as the Government has committed itself there. We are very grateful to you, Sir, for the Government of India's practical support that right now runs into hundreds of millions of US dollars and much in terms of goods and supplies to the people of Afghanistan.

As I said, I preceded you on the visit to Pakistan where I went not only to Islamabad but also to Lahore and to Gujarat. There was very great anticipation about the historic visit (meeting) that took place two days ago between you, President Musharraf and Foreign Minister Kasuri. I would like to say, as someone who takes a very close interest in the issue of India-Pakistan relations and the issue of Kashmir, that I have a real sense

of personal delight and relief at the outcome. I would like to offer you my very own personal congratulations for very courageous decisions which you had to make in order to push this process on.

When I was in Islamabad I said, peace process is when people expressing anxiety, peace processes can sometimes be frustrating, they can sometimes be slower than anticipated, and there can sometimes be difficulties. All three have happened in respect of the, if I may say so, much easier potentially, peace process in which we have been involved in the Northern Ireland. But, as all of us say and the British Prime Minister says, however difficult the peace process in Ireland has been, it has been far far better than what went before where we had armed conflict and killings and all the things that happened alongside that like a lack of economic and social development. So, it is worth hanging in there. In fact that progress has been good. I know from my Pakistani constituents and from my Indian constituents that what they look forward to is a normalisation of relations, and increase in trade and cooperation and visits, so on each side the big existential issue of Kashmir gradually reduces in scale.

On a practical level, the reopening of the bus service between Muzaffarabad and Srinagar is going to produce major benefits as will indeed the opening of the rail service - when that can be got going - between Sindh and Rajasthan produce similar benefits.

Thank you very much for that and for the welcome that I have received.

Question (Mr. Amit Baruah, *The Hindu*) : My question is to addressed to Mr. Natwar Singh. Sir, on Nepal, what more can India, in association with other partners, do as far as the restoration of democracy in Nepal is concerned?

If I may be permitted another question I would like to ask Mr. Straw. On Iraq, Sir, we see a Shia coalition is likely to take power. Is the objective of the coalition finally after all the events in Iraq is to see a Shia orthodox regime in power in Iraq?

External Affairs Minister of India : I do not at all blame you for asking the question you have about Nepal. But you must not blame me either for not

answering it in any detail. We are watching the situation very very carefully. We will see what we can do if things do not change. We do not want in any way to hurt the people of Nepal at all. We continue to hope that His Majesty will sooner rather than later restart the political processes which will encourage the political parties to get together eventually leading to elections in Nepal and the Constitutional Monarchy functioning as such.

Foreign Secretary of the United Kingdom : It is the decision of all members of the United Nations Security Council, which we have won, to see an establishment of proper democracy in Iraq under Resolution 1546. Democracy means that you establish the system of democracy and that is the people of the country make the choice, not some external forces. Democracy is India and United Kingdom that can famously justify. Also, it means that you get changes of Government. So, I celebrate the outcome of the elections, the result. I said it very particularly - the fact that 56 per cent of Iraqis took part in that election. They say that the turnout in my Parliament Constituency in the last General Elections was 56 per cent. So, if it is legitimate for me, it is legitimate for those in Iraq. As to the outcome, the largest party normally forms the Government, and that is what appears likely to happen in Iraq. But I also say that there are protections built into the current transitional administrative law which is equivalent to a transitional constitution, which provides that any changes in the constitution can be vetoed by votes of two-thirds of the peoples of not fewer than three of the 18 provinces which gives significant protection to the Kurdish minority and to the Sunni minority. Now, what we hope, but it is a matter for the Iraqis, is that they will be able to build a representative government.

The last point that I would like to make is that I do not believe that there is a democrat in the world who does not believe that an elected government which is representative of the people, that could be removed by peaceful means by the people in Iraq, is not better than the wild dictatorship which went before which, from the very formation of Iraq but increasingly under Saddam, had wholly disenfranchised sixty per cent of the population, the Shias. That was unsustainable for any period leave aside the action that we took.

External Affairs Minister of India : I just might add, Amit, our Ambassador to Nepal, Shiv Shankar Mukherjee, is going back on Sunday carrying a message from us to His Majesty the King, a verbal message.

Question (The *Guardian*): ...(Inaudible)... Amnesty International and Nepal...

Foreign Secretary of the United Kingdom : Indeed one of my special advisors Dr. Michael Williams, who is in the first row, had a meeting this morning with Irene Khan who is the Director-General of Amnesty and I briefly talked to her at the British High Commission here in Delhi. We will be giving, we were in any event giving, the proposal active consideration. They say that in terms of current military supplies to Nepal none of these, as far as UK is concerned, involve any lethal weaponry. Notwithstanding that, we are giving active consideration to this proposal.



637. Press release of the Indian High Commission in London on Foreign Office Consultations between Foreign Secretary Shyam Saran and British Permanent Under Secretary Sir Michael Jay.

London, March 15, 2005.

Foreign Office Consultations were held on March 14, 2005 in London between delegations led by Mr. Shyam Saran, Foreign Secretary of India and Sir Michael Jay, Permanent Under Secretary, Foreign and Commonwealth Office. Mr. Saran's team included Mrs. Meera Shankar, Additional Secretary (UN) and Mrs. Sujatha Singh, Joint Secretary (Europe) in the Ministry of External Affairs.

They had a constructive and substantive exchange of views on bilateral, regional and international issues, including the forthcoming G-8 summit at Gleneagles, to which Prime Minister Blair has invited the Prime Minister of India, preparations for the EU- India summit, which will be held later this year during the UK's presidency of the EU, and UN reforms.

Among other issues, the Foreign Secretary and the Permanent Under Secretary also had a detailed exchange of views on the energy requirements of growing economies, climate change and sustainable development. They agreed that India and the UK must strengthen their cooperation in key areas such as science and technology. Mr. Saran emphasised the need for a fair

and transparent regime for Indian nationals working in the UK.

The Consultations were preceded by discussions on strategic issues and on international terrorism, between delegations led by Mrs. Meera Shankar and Mr. David Richmond, Director General, Defence and Intelligence. India and the UK have agreed to strengthen their partnership in key strategic areas.



638. Statement of Prime Minister Dr. Manmohan Singh at a press conference.

London, July 8, 2005.

“This visit to the UK has been over shadowed by the sad events in London yesterday. Terrorism has cast its shadow yet again, reminding us that this is urgent global problem, which we neglect or minimise at our peril. We had faced one such event earlier this week at home and are saddened by the death and destruction wrought in this city.

The meeting of the Outreach countries - India along with Brazil, China, Mexico and South Africa which preceded our meeting with the G-8 was a constructive effort to address the inescapable impact of the central issues which were the focus of the G-8—climate change and sustainable development.

We appreciate the effort of the UK Presidency of the G-8 to reach out to countries like ours, which are not in the G-8, and to create a partnership through which global solutions can be crafted to address global issues. The adverse effects of climate change and global warming affect all countries and all people and the only solution to this can be collective.

As part of this process India has played a constructive role in proposing concrete instrumentalities to ameliorate the adverse impact of climate change. Which when implemented would have a measurable impact - viz., softening the rigorous application of intellectual property rights for clean technologies. a commitments to make available critical technologies to developing countries at concessional rates and the creation of a network

of R& D institutions in developed and developing countries to focus on clean technologies - Clean Net.

The declaration the G-8 Outreach countries issued yesterday reflects these ideas, which we hope will be implemented by all of us, including in cooperation with the G-8.

The events in London inevitably affected our programme at Gleneagles yesterday. I was unable to have the bilateral meeting planned with PM Blair. I, along with others assembled at Gleneagles, conveyed to PM Blair our solidarity with the people of UK. He had to leave Gleneagles and return to London.

I had a good productive meeting with President Chirac at which we went over all the issues at the bilateral agenda among other issues. I raised India's proposed participation in ITER and was assured French support. I have invited President Chirac to visit India at his early convenience. I also had brief and very constructive conversations with President Putin, President Bush, President Hu Jintao, President Lula and others.

An impromptu meeting of the G-4 at the level of leaders took place at Gleneagles, at which the President Lula, Chancellor Schroeder, PM Koizumi and I agreed that G-4 solidarity on the question of UN reform and in particular the expansion of the Security Council had made a difference to the process and we would maintain this. The Foreign Ministers of the four countries will be meeting later this evening here in London to take further decisions.

Earlier today I have been on sentimental journey to Oxford to receive an honorary degree, which means a great deal to me personally. The India House event, we have just participated in, has been curtailed on account of the bomb blasts yesterday. However, the 75th anniversary of India House, which we marked today, is reflective of the inextricable links between India and the UK, which this building embodies."



639. Address by Prime Minister Dr. Manmohan Singh in acceptance of Honorary Degree from Oxford University.

Oxford, July 8, 2005.

Mr Chancellor, Mr. Vice-Chancellor

Excellencies,

Ladies and Gentlemen,

I must, at the outset, express my deep sense of shock and anger at the terrorist attacks in London yesterday. I convey sincere condolences to the families and friends of the deceased and those who have been injured. I also extend the sympathy and solidarity of the people of India with the people of the United Kingdom, in particular the citizens of London.

I arrived here in the United Kingdom after dealing with the aftermath of yet another terrorist attack in India. It is clear once again that terrorism is a global threat. Terrorism anywhere is a threat to peace, freedom, human dignity and civilisation everywhere. Terrorism is cowardice aimed at the innocent people. It is fed on hatred and cynicism. Every time terrorists strike anywhere, all of us who believe in democracy and the rule of law must stand together and affirm our firm commitment to fight this scourge resolutely and unitedly.

I sincerely hope that all those who cherish and value open and free societies will join hands in the war against terrorism, wherever it is fought. I wish the people of London well. I pray that their lives will soon return to normalcy and they can resume their celebrations for having been chosen as the venue for the 2012 Olympics.

Mr. Chancellor Sir,

Today is a very emotional day for me. Oxford brings back many fond memories that I cherish. For this reason, as much as for the intrinsic value of the honour you bestow upon me, I am truly overwhelmed. I am grateful to you, Mr Chancellor, and to your colleagues, for this honour. I have had the good fortune of receiving several honorary degrees. However, there can be nothing more valuable or precious than receiving an honorary degree from one's own alma mater. To be so honoured by a university

where one has burnt the proverbial midnight oil to earn a regular degree, is a truly most fulfilling experience. I thank you for it. This is a day I will truly cherish.

The world has changed beyond recognition since I was a student here. Yet, some age-old problems endure. Developing countries have found a new voice, a new status and have acquired a new sense of confidence over the last few decades. As an Indian, I see a renewed sense of hope and purpose. This new optimism gives us Indians a sense of self-confidence and this shapes our worldview today. It would be no exaggeration to suggest that the success of hundreds of young Indian students and professionals in Universities like Oxford, and elsewhere across the world, has contributed a great deal to this renewed self-confidence of a new resurgent India.

The economics we learnt at Oxford in the 1950s was also marked by optimism about the economic prospects for the post-War and post-colonial world. But in the 1960s and 1970s, much of the focus of development economics shifted to concerns about the limits to growth. There was considerable doubt about the benefits of international trade for developing countries. I must confess that when I returned home to India, I was struck by the deep distrust of the world displayed by many of my countrymen. We were influenced by the legacy of our immediate past. Not just by the perceived negative consequences of British imperial rule, but also by the sense that we were left out in the cold by the Cold War.

There is no doubt that our grievance against the British Empire had a sound basis. As the painstaking statistical work of the Cambridge historian Angus Maddison has shown, India's share of world income collapsed from 22.6% in the year 1700, almost equal to Europe's share of 23.3% at that time, to as low as 3.8% in 1952. Indeed, at the beginning of the 20th Century, "the brightest jewel in the British Crown" was the poorest country in the world in terms of per capita income. However, what is significant about the Indo-British relationship is the fact that despite the economic impact of colonial rule, the relationship between individual Indians and Britons, even at the time of our Independence, was relaxed and, I may even say, benign.

This was best exemplified by the exchange that Mahatma Gandhi had here at Oxford in 1931 when he met members of the Raleigh Club and the Indian Majlis. The Mahatma was in England then for the Round Table Conference and during its recess, he spent two weekends at the home of

A.D. Lindsay, then the Master of Balliol. At this meeting, the Mahatma was asked: "How far would you cut India off from the Empire?" His reply was precise - "From the Empire, completely; from the British nation not at all, if I want India to gain and not to grieve." He added, "The British Empire is an Empire only because of India. The Emperorship must go and I should love to be an equal partner with Britain, sharing her joys and sorrows. But it must be a partnership on equal terms." This remarkable statement by the Mahatma has defined the basis of our relationship with Britain.

Jawaharlal Nehru echoed this sentiment when he urged the Indian Constituent Assembly in 1949 to vote in favour of India's membership of the Commonwealth. Nehru set the tone for independent India's relations with its former master when he intervened in the Constituent Assembly's debate on India joining the Commonwealth and said:

"I wanted the world to see that India did not lack faith in herself, and that India was prepared to co-operate even with those with whom she had been fighting in the past provided the basis of the co-operation today was honourable, that it was a free basis, a basis which would lead to the good not only of ourselves, but of the whole world. That is to say, we would not deny that co-operation simply because in the past we had fought and thus carry on the trail of our past karma along with us. We have to wash out the past with all its evil." This spoke the first Prime Minister of India.

Mr. Chancellor, Sir,

India and Britain set an example to the rest of the world in the way they sought to relate to each other, thanks to the wisdom and foresight of Mahatma Gandhi and Jawaharlal Nehru. When I became the Finance Minister of India in 1991, our Government launched the Indo-British Partnership Initiative. Our relationship had by then evolved to a stage where we had come to regard each other as genuine partners. Today, there is no doubt in my mind that Britain and India are indeed partners and have much in common in their approach to a wide range of global issues.

What impelled the Mahatma to take such a positive view of Britain and the British people even as he challenged the Empire and colonial rule? I believe it was, undoubtedly, his recognition of the elements of fair play that characterized so much of the ways of the British in India. Consider the fact that an important slogan of India's struggle for freedom was that "Self

Government is more precious than Good Government". That, of course, is the essence of democracy. But the slogan suggests that even at the height of our campaign for freedom from colonial rule, we did not entirely reject the British claim to good governance. We merely asserted our natural right to self-governance.

Today, with the balance and perspective offered by the passage of time and the benefit of hindsight, it is possible for an Indian Prime Minister to assert that India's experience with Britain had its beneficial consequences too. Our notions of the rule of law, of a Constitutional government, of a free press, of a professional civil service, of modern universities and research laboratories have all been fashioned in the crucible where an age old civilization of India met the dominant Empire of the day. These are all elements which we still value and cherish. Our judiciary, our legal system, our bureaucracy and our police are all great institutions, derived from British-Indian administration and they have served our country exceedingly well.

The idea of India as enshrined in our Constitution, with its emphasis on the principles of secularism, democracy, the rule of law and, above all, the equality of all human beings irrespective of caste, community, language or ethnicity, has deep roots in India's ancient culture and civilization. However, it is undeniable that the founding fathers of our Republic were also greatly influenced by the ideas associated with the age of enlightenment in Europe. Our Constitution remains a testimony to the enduring interplay between what is essentially Indian and what is very British in our intellectual heritage.

The idea of India as an inclusive and plural society draws on both these traditions. The success of our experiment of building a democracy within the framework of a multi-cultural, multi-ethnic, multi-lingual and multi-religious society will encourage I believe all societies to walk the path we have trodden. In this journey, and this is an exciting journey, both Britain and India have learnt from each other and have much to teach the world. This is perhaps the most enduring aspect of the Indo-British encounter.

It used to be said that the sun never sets on the British Empire. I am afraid we were partly responsible for sending that adage out of fashion! But, if there is one phenomenon on which the sun cannot set, it is the world of the English-speaking people, in which the people of Indian origin are the single largest component.

Of all the legacies of the *Raj*, none is more important than the English language and the modern school system. That is, of course, if you leave out cricket! Of course, people here may not recognise the language we speak, but let me assure you that it is English! In indigenising English, as so many people have done in so many nations across the world, we have made the language our own. Our choice of prepositions may not always be the Queen's English; we might occasionally split the infinitive; and we may drop an article here and add an extra one there. I am sure everyone will agree, Nevertheless, that English has been enriched by Indian creativity as well and we have given you back R.K. Narayan and Salman Rushdie. Today, English in India is seen as just another Indian language.

Mr. Chancellor, Sir,

No Indian has paid a more poetic and generous tribute to Britain for the totality of this inheritance than Rabindranath Tagore. In the opening lines of his world-famous, Noble Prize winning epic *Gitanjali*, Gurudev says:

“The West has today opened its door.

There are treasures for us to take.

We will take and we will also give,

From the open shores of India's immense humanity.”

To see the India - British relationship as one of 'give and take', at the time when he first did so, was an act of courage and statesmanship. It was, however, also an act of great foresight. As we look back and also look ahead, it is clear that the Indo-British relationship is one of 'give and take'. The challenge before us today is to see how we can take this mutually beneficial relationship forward in an increasingly inter-dependent and globalised world that we live in.

I wish to end by returning to my alma mater. Oxford, since the 19th century, has been a centre for Sanskrit learning and the study of Indian culture. The Chancellor has recalled many more numerous instances of that Boden professorship in Sanskrit, and the Spalding professorship in Eastern Religions and Ethics stand testimony to this university's commitment to India and Indian culture. I recall with pride the fact that the Spalding professorship was held by two very distinguished Indians: Dr S.

Radhakrishnan, who later became the President of India, and by Dr. Bimal Krishna Matilal.

In the context of the study and preservation of Indian culture, I also wish to recall the contribution of another great Oxonian, Lord Curzon, about whose project to preserve and restore Indian monuments, Jawaharlal Nehru himself said, "After every other Viceroy has been forgotten, Curzon will be remembered because he restored all that was beautiful in India."

Many of those who were to rule India set course from Oxford. Some stayed behind to become India's friends. Men like Edward Thompson, Verrier Elwin and many others are remembered in India for their contribution to the enrichment of our life and society.

I always come back to the city of dreaming spires and of lost causes as a student. Mr Chancellor, I am here this time in all humility as the representative of a great nation and a great people. I am beholden to you and to my old university for the honour that I have received today.



640. Speech of Prime Minister Dr. Manmohan Singh at the 75th anniversary of India House.

London, July 8, 2005.

Before I begin, I would like to express my sincere condolences, and my sense of shock and outrage at the terrorist violence in London yesterday. The terrorism we witnessed yesterday has proven once again that none of our societies are free from this modern day scourge. As I said earlier, all civilized societies should join hands in the war against terror, wherever it is fought.

The people of India stand firm in solidarity with the people of the United Kingdom in this hour of sorrow.

Ladies and gentlemen,

We are gathered together to mark the seventy-fifth anniversary of one of our oldest chanceries. This is a special moment in the enduring

history of the Indo-British encounter. When these great rosewood doors were unlocked by His Majesty King George V this day so many decades ago, India House became the new face of our ancient civilization in a brave new era.

The architects of this magnificent building intended it as a tribute to the myriad influences and cultures which constitute the mosaic that is India, in this great city.

His Majesty the King concluded his speech at the inauguration of this building by expressing the hope that India House would “foster links between the peoples of India and Great Britain”. Indeed, this primary role of diplomatic missions the world over has been well performed by a galaxy of distinguished diplomats who have served at India House.

But more than being a modern-day landmark in London, India House is a time-mark, to coin a phrase, for these walls bore silent witness to the defining events that transformed the Indo-British relationship from one of domination and subjugation to an equal partnership based on mutual benefit. Since those eventful days of war, independence and partition, India House has played a key role in outlining our shared future. In this I include the creation of the modern Commonwealth. Today, civil servants who have had the honour of serving here can look back on their days with pride and satisfaction, for having redefined the nature and context of this very special encounter between our civilizations.

Friends, Ladies and Gentlemen,

As we mark a significant milestone such as this, I believe it is appropriate not only to dwell on the richness of our shared past, but to define a vision for our future. We should take stock of the current state of the Indo-British relationship, and the role of our diplomatic mission at India House in undertaking this task.

Today, the diplomatic method has less to do with a sense of political history and the persuasive powers of its practitioners. Important as these tools are, the vital role of the diplomat in today’s globalized world has been radically altered by the complexities of techno-economic multilateralism. Meeting the challenge of instant news, instant analysis, and instant decisions require alertness and mental agility of a very high order. Sadly, as we have

seen yesterday, the threat posed by non-state actors, ranging from conventional terrorists to hackers and white-collar criminals, has also raised the bar for our representatives abroad. Crafting a balance between traditional modes of diplomatic negotiation with the need for instant responses is a specific challenge that must be dealt with. As nations with a long history of excellence in the art of diplomacy, India and the UK are well placed to evolve appropriate solutions to such questions.

The Joint Declaration that Prime Minister Blair and I issued last September committed our two countries to a strategic partnership. Such a relationship enables us to bring together every element of our societies, including businessmen, academics, scientists and artists in common effort to develop new competencies. We must increase efforts to realize the untapped potential in the Indo-British partnership—not merely information or knowledge, because there is already a glut of data. Our focus must be to find new ground to anchor our relationship.

Ladies and Gentlemen,

I therefore suggest that the Indo-British partnership of the 21st century should be based on greatly enhanced bilateral trade and investment flows, cooperation in the cutting edge of the knowledge revolution, and close cooperation in management of international security. I am happy to note that work is already proceeding apace on both sides to ensure that these avenues are further explored. Developing these aspects of our relationship will determine our success in forging a forward-looking partnership to establish a positive international security environment and a more just and equitable global order, based on sustainable development. In this context, I look forward to the visit of Prime Minister Blair to India later this year to add more weight to this special relationship.

Ladies and gentlemen, friends:

One of the special features of the enduring ties with Britain is the absence of rancour and bitterness. Indeed, there are few similar examples of such goodwill. Constructing the edifice of a strong and future-oriented strategic partnership on these foundations is the best tribute we can pay to our past. We owe this to ourselves for retaining the best elements of our partnership and for understanding the lessons of history without becoming captives of the past.

Managing these processes is a key task for our representatives in India House. Celebrating the seventy-fifth anniversary of this building is a good way to accelerate the process of drawing upon our past and further developing this relationship in future.

I thank all of you who are present here for participating in this special event.



641. Press release issued by the President Secretariat containing the condolence message of President Dr. A. P. J. Abdul Kalam on the loss of lives in the London bomb blasts.

New Delhi, July 8, 2005.

The President Dr. A.P.J. Abdul Kalam has condoled the loss of lives in the London bombings.

In a condolence message to Queen Elizabeth II, Dr. Kalam has said, "I was deeply shocked and saddened to hear of the terrorist bombings in London yesterday, which led to the loss of so many innocent lives. As a victim of countless such terrorist attacks for over two decades, India shares the anguish of the British people in this hour of grief. These outrageous acts only underline the importance for civilized nations to work together in a common effort to fight the scourge of terrorism, that threatens democratic societies their values".



642. Press release of the Ministry of External Affairs on attacks on Islamic places of worship in UK.

New Delhi, July 10, 2005.

We have seen reports of attacks on Islamic places of worship in the wake of the events of July 7 in the UK. Such shocking attacks go against the spirit of pluralism and religious freedom which the UK upholds. We would hope that the perpetrators of these attacks will be expeditiously apprehended and every effort be made for the maintenance of peace and religious harmony in the UK¹.



643. Press release of the Ministry of External Affairs on reports of attacks on places of Sikh worship in UK.

New Delhi, July 10, 2005.

Government of India is deeply shocked at reports of attacks on two places of Sikh worship in the UK. Such attacks are an affront not only to the great Sikh religion but to entire humanity.

The Sikh community in the UK has carved out a highly respected place for itself in the British society through its industriousness and commitment. They have enriched the political landscape and contributed significantly to economic activity.

We would appeal to the British government to take all necessary steps to apprehend the perpetrators of these attacks and protect the Sikh community against any further expressions of racial tension¹.



1. The attacks took place in the wake of bomb attacks on some public places by some jahadi elements in London.

644. Opening Statement by Prime Minister Dr. Manmohan Singh at Joint Press Conference with Prime Minister of UK Tony Blair.

New Delhi, September 8, 2005.

Prime Minister of India (Shri Manmohan Singh) : I am very happy to welcome Prime Minister Tony Blair.

Today we have had a very successful bilateral summit at Udaipur. Yesterday we had an historic India-EU Summit when we endorsed the Action Plan and Political Declaration to take our strategic partnership forward. The United Kingdom Presidency under Prime Minister Tony Blair's leadership has played a most constructive role in this. I thank Prime Minister Blair for his leadership and commitment he has shown for both these meetings.

This is the third time I have had the pleasure of meeting the Prime Minister since September last year. At our London meeting a year ago we had adopted a Joint Declaration on a strategic partnership which outlined the direction in which we wish to take our relationship forward.

Our relationship is very special and one which contains exceptional potential. Both Governments are determined to realize this potential to the advantage of our people and our bilateral relationship. We welcome the fact that Joint Economic Commission has been created to systematically advance mutual trade and investment as a follow up to the direction given by the Joint Declaration last year. An Indo-British Joint Science and Innovation Council has been set up to explore new high technology areas of collaboration. A financial and economic dialogue at the level of Finance Ministers has also been launched.

The summit has added significance given the simultaneous presidency of the United Kingdom of the European Union and the Group of Eight. It was at the initiative of Prime Minister Tony Blair that India with four other developing countries was invited to a dialogue with the Group of Eight at Gleneagles giving concrete expression to the partnerships required between the developed and the developing countries in addressing key global issues.

We have agreed to cooperate in civilian nuclear energy. The United Kingdom recognizes the need for a supportive international environment

for meeting our pressing energy requirements. We have also agreed that our collective efforts to ensure energy security will be accorded priority.

I expressed our deepest sympathy and solidarity with the British Government and the British people on the terrorist atrocities that they have recently been subjected to. India as a victim of terrorism for over two decades extends its wholehearted support to Britain. We agreed that there can be no justification whatsoever for terrorism on any grounds - religious, political, ideological or any other. Together with international unity and resolve, we can meet the challenge of this global scourge and work to bring about an international law of zero tolerance for terrorism.

We exchanged views and reached agreement on a wide range of issues. We focused on measures to significantly enhance our trade and investment exchanges including in the new and promising area of healthcare and in promoting exchanges in the area of services.

We agreed to intensify cooperation on frontier areas of science and technology and the knowledge sector in which both our countries have special strengths. Several MoUs and agreements have been finalized during this meeting. These include – cooperation in the area of hydrocarbons which is important for our overall energy policy; a new air services agreement; an agreement on co-production of films; an agreement on intellectual property rights.

Prime Minister Tony Blair reaffirmed his commitment to India's candidature for permanent membership of the expanded UN Security Council on which I expressed our deep appreciation for his Government's clear and long held position.

We also had a very good exchange of views on developments in our respective nations. I conveyed that we have decided that a Chair named after Pandit Jawahar Lal Nehru will be founded at Cambridge University by the Government of India.

We welcomed Prime Minister Tony Blair's Education Initiative which will significantly enhance student exchanges and academic relationships at the university level between our two countries.

In conclusion, I wish to reiterate that India attaches very high priority to our relations with the United Kingdom. Our ties are growing in every

sphere as we give concrete meaning to a very comprehensive strategic partnership.



645. Response of Official Spokesperson to questions on the reported statement of British Defence Secretary.

New Delhi, October 6, 2005.

In response to questions the Official Spokesperson said:

We have seen the news report which quote Mr. John Reid, UK Secretary of State for Defence calling for a “resolution of political issues including Palestine and Kashmir”. If this is indeed what was said, then this unfortunate remark betrays a lack of understanding of the J&K issue. There is absolutely no parallel between the Palestine issue and Jammu & Kashmir.



INDIA'S FOREIGN RELATIONS - 2005

Section - XI

India-UN and Reforms of the UN

646. Remarks¹ by Foreign Secretary Shyam Saran at a seminar organized by the Indian Council of World Affairs to discuss the report of the United Nations Panel on “Threats, Challenges and Change”.

New Delhi, January 3, 2005.

Instead of really making a keynote address, which I was asked, I thought I will make informal remarks, some very preliminary views about the Report of the High Level Panel and what we see as the road ahead. First of all we welcome the initiative taken by the Secretary General to invite the distinguished panel² including our own General Satish Nambiar, who was also a member of the UN Panel to look at some of the contemporary challenges facing the international community in various fields and how perhaps the United Nations and its system could respond to the new challenges.

I think we all agree that this has been a timely initiative. The Report has been submitted by the Panel to the Secretary General. We imagine that in the next few weeks there will be, as has already been, some discussion on its observations, recommendations and the Secretary General himself will be making certain recommendations to the United Nation's membership. At this point of time, I would just like to say what our perspective, as India is, on some of these aspects.

Firstly, we believe that we are focusing attention on the entire gamut of institutional reforms in the United Nations. I think there is sometimes, perhaps a sense that India is looking at the expansion of the Security Council as its valid claim to permanent membership of the Security Council. But we look upon Security Council reforms as part and parcel of the entire gamut of institutional reforms of the United Nations. It is not just in terms of the Security Council.

The second aspect that we want to focus on is that we look upon the

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1. The Foreign Secretary made his remarks ex-tempore.
 2. The members of the Panel invited to speak were: 1. Gen. Satish Nambiar, Director, United Services Institution and also member of the Secretary General's Panel; 2. Shri Muchkund Dubey, former Foreign Secretary; 3. Vijay Nambiar, former Permanent Representative of India at the United Nations; 4. Dalip Padgoankar, Senior Journalist; 5. Commodore Uday Bhaskar, Director, Institute of Defence Studies and Analysis.

international order as having become somewhat distorted, having become imbalanced mainly because this aspect of democratization of the internal order has not really taken place. We feel that United Nations system has in essence remained frozen since when it came up in 1945. There have not really been efforts to try and mould the system or to adapt the system to the very dramatic changes that have taken place in the world since then. But essentially the view of India that you need to have an international order, which is much more democratic than it is at this point of time, and as part of the democratization of the international order. Of course, there is the mechanism through which this democratic order can function; and that is through the mechanism of multi-lateralism — multi-lateralism not merely in terms of a large group of countries batting together but multi-lateralism in genuine sense that it is a collective action. We believe that the number of challenges that we are facing in terms of, for example, international terrorism, in terms of environmental challenges brought home to us by the very recent tragedy; we all have been affected by the Tsunami disaster. These bring home to us the fact that these are collective challenges and these are all challenges, which need collective responses. And therefore unless we have a mechanism through which effective collective action can be ensured, we would not really be able to do justice to what the international community expects of us.

So that is fundamental principle based on which we are looking at the restructuring of the entire United Nations system. In this respect we would have hoped that in focusing attention on United Nations reforms perhaps some of the very basic elements of that reform could have been reflected upon.

We believe that over the years the United Nations, again in terms of democratic functioning, should really have been safeguarding and looking after the interests of the larger numbers of its members who are the developing countries mainly. The majority of the United Nations membership is developing countries—the developing countries and the majority would have wanted the United Nations; number one, to reflect their concerns, their aspirations, safeguard their interests. The United Nations was also looked upon as a body, which could function as a promotional agency, an agency, which is focused on, much more on the developmental aspects of international cooperation. Over the years what has happened is that the developmental and promotional aspects of the United Nations, these have

been largely eclipsed and what we are seeing today is that the United Nations and various agencies associated with it are in a sense moving more and more towards a regulatory and even towards a punitive kind of role. I mean regulations and the punitive actions are focused and together mainly against the developing countries.

Therefore the sense of belonging, the sense of affinity of the largest part of the membership of the United Nations and with the United Nations and the system ...this, I think distance has become larger and larger. There is in fact a sense, a sense of alienation of larger membership of the United Nations from the United Nations itself. I think it is important if the United Nations is to retain its relevance in terms of its larger membership, then it needs once again to bring about a certain balance in its priorities, in its functioning. It must much more closely align itself with the aspirations, with the concerns of the countries of the larger part of its membership.

The other aspect which is linked to this, which again we would have, I thought perhaps should have been reflected upon, is that there is this distortion that has come about in terms of the priorities of the United Nations. In terms of the way it functions is very much related to the financing of the United Nations, that is, the regular budget of the United Nations, which is made of contributions from its various members. That budget is becoming less and less relative to what is known as the programme activities or the activities budget, which means that the activities carried out by the United Nations, funded by its own resources, resources that have come to it by regular contributions that has shrunk over a period of time. What has been happening is virtually all the major activities undertaken by the United Nations are financed donors, specifically money being made available for specific activities. The agency through which financing is being carried out in the United Nations but the money is coming from various donors. Now in this kind of a situation it is inevitable that the priorities can become those given by donor — donor driven activities rather than a United Nations driven activity. So over a period of time more and more activities are being financed or funded by the funds made available by donors rather than by regular budget. It is inevitable therefore that there is a distortion, which has come about.

So if we wish to bring about United Nations back to functioning on the basis of and in line with the wishes and aspirations of its larger

membership then this financing aspect will have to be addressed. Otherwise the priorities of the United Nations will remain in line with the wishes and priorities of a small group of developed countries. So this is one aspect of financing which we believe is quite critical to ensuring that the role of the United Nations is in line with the principles of democracy that we all accept.

The other aspect that we wanted to highlight was that in terms of international security and disarmament. We believe that the panel perhaps could have paid greater attention to again what has been a long standing aspiration of the world community as a whole. For example, we find no reference to the goal that has been accepted by the international community since the United Nations was founded—for general and complete disarmament as an ideal it has not focused attention. The fact that international security in terms of preventing any kind of use of weapons of mass destruction, the goal of nuclear, complete prohibition and elimination of nuclear weapons should remain in the forefront of our efforts towards international security. This particular aspect has been neglected.

Again this is mainly because the focus is very much on what I remarked as the regulatory and punitive act or role rather than looking at what is required in terms of the larger picture. We could certainly have hoped that the responsibility of the nuclear weapon States to join together in bringing about a complete elimination of nuclear weapons. This aspect should have been highlighted. We believe that since we have a precedent in the Chemical Weapons Convention where an entire category of weapons of mass destruction have been eliminated through negotiations within the international community through verification procedure there is no reason why the same experience cannot be brought to bear to other weapons of mass destruction in particular nuclear weapons.

In the aspect of proliferation also we believe that some time there is much greater focus on the recipient in terms of the proliferation chain and the punitive measures or the regulatory measures are being focused mainly on potential recipient or actual recipient. There is not much focus on the source of proliferation. And that, we believe, is also very wrong thing. What about the supply side, not the demand side, and this aspect if we do not focus on, then I am afraid, again will not be really tackling the real problem of proliferation. It becomes then a question of political expediency.

There are other elements in the Report with regard to — for example

– a Peace Building Commission. We are willing to look at the proposal of this kind – but there are various implications of this proposal, which we need to study; how it would function in relation to other bodies of the United Nations. There is a proposal for universalizing the Human Rights Commission—how would this really yell with the smaller ECOSOC to which it would be reporting. So there are many practical issues, which need to be discussed and need to be worked out. We remain; of course, ready to engage in that debate on several of these prepositions.

I would also like to say before concluding – there are a number of international security issues that the United Nations will be certainly engaged in. But it is not as if the United Nations is the only way in which international security issues can be dealt with. We believe there are bilateral mechanisms through which security issues can be dealt with. They are appropriate perhaps there could be regional ways in which it can be looked at.

There are democracies, which I think these democracies can work out any differences among them in a consultative manner. We believe that as vibrant democracies whatever internal threat to security, which is perceived, democracies are the best ways to deal with these. And perhaps United Nations should be, international community should be strengthening democratic institutions in various countries.

While there is a reference to the United Nations protecting democratic regimes from unconstitutional overthrows; but I think the larger question of the United Nations also fostering and promoting democracy within countries as means of or mechanism through which a number of threats mentioned can be dealt with internally without any kind of intervention whatsoever. That is an approach that we would favour.

I would conclude my remarks thanking all members of the panel particularly Gen. Nambiar who was himself involved in the preparation of the Panel Report.....



647. Press release of the Ministry of External Affairs on the appointment of Maj. Gen. R.K. Mehta as Military Adviser in UNDPKO.

New Delhi, January 20, 2005.

Maj. Gen. R.K. Mehta, currently serving as ADG (MI) in the Army Headquarters, New Delhi has been selected for the prestigious post of Military Adviser in the UN Department of Peacekeeping Operations. Maj. Gen. Mehta is expected to take over the important assignment in February 2005 from Maj. Gen. Patrick Cammaert of Netherlands. Gen. Mehta, from the Parachute regiment, served as a Sector Commander of the Indian brigade group in the UN Mission in Sierra Leone. On his return, he commanded a division in the Northern Command and was involved in Counter Insurgency operations. He has also held various prestigious command and staff appointments during his illustrious career in the Indian Army.

The appointment of Gen. Mehta to this key post is a recognition of India's substantial and long-standing contribution to UN Peacekeeping and its growing profile in this area. With India committing a large contingent of over 3,000 troops to the expanded UN Peacekeeping mission in Congo and over 2,500 troops to the UN Mission anticipated in Sudan, India continues its tradition of being a top contributor to UN peacekeeping. More than 74,000 Indian troops have participated in 41 out of the 59 peacekeeping operations established since the inception of the UN. At present India contributes to 8 of the 16 ongoing UN peacekeeping missions.



648. Statement by Permanent Representative at the UN Nirupam Sen on the Report of the High Level Panel on Threats, Challenges and Change at the informal meeting of the Plenary of the 59th Session of UN General Assembly.

New York, January 27, 2005.

Mr. President,

We join other delegations in expressing our appreciation to you for your initiative in convening this informal meeting of the General Assembly for an exchange of views on the report of the High Level Panel set up by the UN Secretary-General on Threats, Challenges and Change. We broadly associate ourselves with the statements made by the Chairman of NAM and the Chairman of G-77. We consider the Panel's report to be an important input in our journey towards the Major Event for review of the implementation of the Millennium Declaration and commemoration of the 60th anniversary of the founding of the United Nations, in September 2005. We believe that the Report of the Panel and the Millennium Project report by Prof. Jeffrey Sachs will assist us in making effective and meaningful decisions. We await the report of the Secretary-General in March, 2005 on the comprehensive review of the implementation of the Millennium Declaration that would provide Member States with his views prior to the in-depth inter-governmental scrutiny and consideration of the recommendations of the Panel.

There is an expectation that the UN would safeguard the interests of the developing countries which constitute the vast majority of its membership. The insecurities of this vast majority relate to the problems of socio-economic development, particularly the eradication of poverty and the development of social infrastructure, especially education and public health. Collective security that is truly for all cannot be so unless it addresses the insecurity of this vast majority. The Tsunami tragedy has once again brought home to all the value of collective action and international solidarity. Even in the case of threats in their more limited meaning, the High Level Panel Report has to conclude that these cannot be met either in isolation or by States alone but require global cooperative action.

We firmly believe that development is required not for the sake of

security but for itself. In human history threats have come not from the poor, but from the rich, from their fear of the poor, their repressive anticipatory action against the poor. Whenever the poor have acted decisively, whatever the short-term impact, in the long-term international stability has been strengthened. If the poor were indeed the source of long-term instability, every religion would not especially bless them. Development is required so that people do not lead diminished lives in poverty, hunger, disease and illiteracy. The Millennium Project Report provides a valuable strategy for achieving the Millennium Development Goals but does not fully meet this concern because it sees development purely from an anti-poverty, country-related perspective for achieving MDGs. Developed countries must achieve the target of 0.7 per cent of GNP for ODA.

The developmental agenda of the Doha Round of Multilateral Trade Negotiations has to be realised (at present a complex undertaking in many sectors). However, the fundamental issue is the recovery by the United Nations of its role in setting the international economic agenda which it could till the mid-Seventies. The long retreat since then with the exception of the possible rearguard action of Monterrey, has to be halted and reversed. We have noticed, particularly in recent years, that in practice, the developmental activities of the UN have diminished while the regulatory and punitive aspects have acquired prominence. The developing countries are the target of many of these actions which has led to a sense of alienation among the majority of the UN Member States. There is a need to bring a greater balance in the UN's priorities in order to reflect the concerns of the majority of its membership. This is also seen in the distortions in the financing of the UN. The regular budget is shrinking while donors are increasingly funding specific activities through ad-hoc voluntary contributions. This has also resulted in distortion of priorities and a donor-driven, rather than a UN-driven, agenda.

A fundamental issue that the Panel has not adequately examined is that equitable access to natural resources is seriously hampered by the unsustainable patterns of production and consumption in the developed world. Threats to the global environment primarily emanate from such unsustainable patterns of production and consumption and these need to be clearly spelt out and addressed, with the recognition that the developed countries must shoulder the main responsibility for preventing and reversing environmental degradation. The report has rightly identified International

Terrorism as one of the most difficult and significant threats facing the International community. The Panel has emphasised the need for better counter-terrorism instruments. In this framework, it has underlined the political imperative of achieving a Comprehensive Convention on Terrorism (CCIT). As the Member State that had tabled the draft Comprehensive Convention of International Terrorism in 1996, we hope that the Member-States would demonstrate the necessary political will and flexibility for an early conclusion of the CCIT.

The Panel has also drawn attention to the dangers inherent in the proliferation of Weapons of Mass Destruction and the possible links with terrorism, but we believe missed out a clear reaffirmation of the international community's accepted goal of general and complete disarmament, in particular nuclear disarmament in a time-bound manner under effective international control. The responsibility of the Nuclear Weapon States in bringing about the complete elimination of nuclear weapons through negotiations has also not been referred to. In the field of proliferation, while the focus of the Panel is on recipients, there is an absence of adequate attention on the sources or the supply side from which such proliferation has emanated.

The Report pays inadequate attention to the role of the General Assembly. In our assessment, it is the General Assembly, the only universal body of the United Nations which must be revitalized to enable it to guide and direct the other organs of the system. In doing so, the General Assembly would be fully exercising its functions envisaged under Article 10 of the Charter. The coincidence of long-term development and long-term security needs relating to post-conflict peace-building, including in its institutional form, are best addressed by the General Assembly. In general, the Security Council is neither mandated nor equipped to handle economic and social issues. This revitalisation of the General Assembly is a matter of both theory and praxis: by actually electing permanent members of the Security Council, it would make clear their accountability.

The UN Security Council reflects essentially the world of 1945. The world of Yalta and Potsdam has crumbled outside but is artificially being kept alive through the UN. Those who were vanquished, colonized, marginalized in 1945 continue to be excluded though they have come into their own with a demonstrable capacity of contributing to peace and security. Expansion of the permanent together with the non-permanent membership

is not a matter of arithmetical sophistry but of two clear issues for the majority of the vulnerable and developing world. Firstly, the Security Council's legislative decisions and those on the use of force under Chapter-VII appear as an arbitrary and alien power: this is an alienation not of the individual or class but of countries. Secondly, there is no radical advance of the core political and economic interests of the developing countries. These two concerns cannot be met either through an expansion of non-permanent membership or making even this third class through a second tier of rotating members. Non-permanent membership for more than half a century has not been able to address either these issues or the vulnerability of the vast majority, precisely because it lacks the continuity and institutional memory of permanent membership.

The inclusion of major developing countries from Asia, Africa and Latin America and new players from the developed world who are capable of global responsibility is necessary to transform the balance of forces in favour of the political and economic concerns of the vast majority. On its part, India has expressed its readiness to undertake its responsibility as a global player in an expanded Security Council. We will work together with Brazil, Germany, Japan and Africa in our quest to make the Security Council more representative, democratic, legitimate and effective. Effectiveness is also not an arithmetical concept but one of responsible and rational decisions that would have wide acceptability. Developing countries including small and vulnerable countries have many creative ideas, as we saw in Mauritius, on transparency and working methods. These can become a material force when there are permanent members to carry them out.

There is an apprehension among many developing countries that the interpretation of the Report of the Panel on Article 51 of the Charter on the use of force could encourage selective and politically motivated actions. Member States would need to carefully examine this recommendation to ensure that it is not utilized for actions that could go beyond the scope of its application under the Charter.

We believe that there is also a need to look at other approaches that are not solely limited to the paradigm of conflict or security. The UN and the international community should strengthen and promote democratic regimes. We take positive note of the role envisaged for the UN in the Panel's report in developing frameworks to protect democratically elected Governments from unconstitutional overthrow. A mature democracy can

effectively address and efficiently resolve both its internal and external issues.

Mr. President,

We need not just development for security but development in itself; not just non-proliferation but disarmament; not just the security of the few but the security of all; not just the vigour of one body but the reform and revitalization of all bodies; not just the use of force but its minimization through rational decisions and their wider acceptability; not consensus at the lowest level of its least meaningful common denominator but the broadest possible agreement on key issues at their most meaningful, enabling translation into effective practice.

Mr. President,

My delegation reiterates its readiness to work with other delegations in ensuring effective and meaningful decisions on the Report of the Panel. We assure you of our cooperation in this endeavour.

Thank you, Mr. President.



649. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on Accountability in particular the relationship between the Security Council and the General Assembly including Reports of the Security Council to the General Assembly at the second meeting of the open-ended Working Group on the question of Equitable Representation on and Increase in the membership of the Security Council and other related matters to the Security Council.

New York, February 14, 2005.

Please See Document No. 678.



- 650. Statement by Ruchira Kamboj Counsellor at the Permanent Mission at the UN on consultations with Troop-contributing countries at the second meeting of the open-ended Working Group on the Question of Equitable Representation and Increase in the membership of the Security Council and other matters related to the Security Council.**

New York, February 15, 2005.

Please See Document No. 679.



- 651. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on informal consultations on the Report of the High Level Panel on Threats, Challenges and Change and the UN Millennium Project-2005, Report at the informal meeting of the 59th Session of the UN General Assembly.**

New York, February 23, 2005.

Please See Document No. 682.



652. Extract form the speech of External Affairs Minister K. Natwar Singh delivered at the inauguration of the conclave on India-Africa Project Parternship.

New Delhi, March 3, 2005.

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We do believe, however, that we would have been able to do much more if we had a formal voice and a role in the United Nations Security Council that were commensurate to the positive contribution that we make to the international community. In 2005, the UN Security Council should not function on the basis of the political realities of 1945. The Security Council should be reformed and expanded with the addition of new permanent members. India is a legitimate candidate for a reformed and expanded UN Security Council. We are not just the second largest country in terms of population; we are also the world's 4th largest economy in terms of purchasing power parity, and one of the largest contributors to peacekeeping operations. I must also mention here that it is essential for Africa to be suitably represented on an expanded Security Council with permanent seats. I am personally grateful that so many of our friends from Africa have already committed their support to India's candidature. A few have even told me that a reformed Security Council without India would be unthinkable! We hope that the discussions beginning later this month in New York address this long-standing anomaly. A seat for India on the Security Council will also be an additional voice for Africa to articulate its concerns on the inequities of the international order.

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653. Media briefing points by Official Spokesperson on External Affairs Minister's meeting with UN Secretary General Kofi Annan on the sidelines of the Afro-Asian Summit Conference.

Jakarta, April 21, 2005.

- The U.N. Secretary General, Mr. Kofi Annan, met with the African and Asian Foreign Ministers in Jakarta on the afternoon of Thursday, 21st April, 2005.
- In his interaction with the UNSG during the meeting, External Affairs Minister Shri K. Natwar Singh stated that India was a founder-member of the UN, by virtue of being a member of the League of Nations even when the country was yet a British colony. It is now clear that the UN which was formed in 1945 does not meet the needs of 2005. He enquired as to why the UN failed to inspire confidence today, and why multilateralism failed to take precedence over unilateralism. Even as the UN had remarkable successes in terms of decolonization and the abolition of apartheid, it did have a string of serious failures. One reason was because the permanent membership of the UN Security Council represents 1945 and not 2005. The Charter of the UN was amended only once in these sixty years, in 1963, in order to expand the number of non-permanent members of the UN Security Council.
- Explaining the historical circumstances which led to the introduction of the veto power for the five permanent members, EAM made it clear that if new tiers were sought to be created within the UNSC, it would defeat the very objective of the democratization of the UN body. In this context, he referred to the statement of President Putin that India should be a permanent member of the UNSC with veto power and Prime Minister Manmohan Singh's statement made in Parliament that there should be no discrimination between the existing permanent member and the new permanent members.
- There was a difficult task ahead of us, to determine which formula of the Report of the UNSG's High Panel would meet the needs of today. He expressed the view that the current permanent members

of the UNSC may not accept any curtailment of their veto powers and that there was no rationale to say that the new permanent members cannot have a similar veto power.

- Shri Natwar Singh said that we should also be clear on what we mean when we say that the expansion should be on the basis of “consensus” and that the process of decision-making in this context should not be circumscribed by time limits. Seeking a consensus effectively implies postponing a decision altogether, and means that the UN Charter would not be revised. Just as we had lost the opportunity for revision in 1995 at the 50th anniversary of the UN, the 60th anniversary may well meet the same fate.
- Shri Natwar Singh felt that the strength, wisdom and great patience of the UN Secretary General made the latter well equipped for guiding the task of UN reform that lay ahead successfully.



654. Media briefing by Official Spokesperson on the visit of UN Secretary General Kofi Annan.

New Delhi, April 27, 2005.

Official Spokesperson: Good Afternoon.

The Secretary General of the United Nations is on his visit to Delhi¹. This morning he has had extensive discussions at delegation-to-delegation level with the External Affairs Minister Shri Natwar Singh. The discussions

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1. On April 23 the Official Spokesperson told the media that Kofi Annan had last visited India in March 2001. Giving a background to the visit, Spokesperson Navtej Sarna said that the UN Secretary General had recently released his report “In larger freedom: towards security, development and human rights for all”. The Report has suggestions in the areas of development, security, human rights and reform of the UN system. The visit would provide an occasion to discuss various elements of the Report and the Secretary General’s detailed views on several of the recommendations. India has been urging the need for reforms of the UN so that it reflects the contemporary realities and makes the UN more relevant and effective in discharge of its mandate.
On another area of Indian concern namely terrorism, Mr. Sarna said that India had tabled a Draft Comprehensive Convention on International Terrorism at the UN in 1996. The UN Secretary General in his Report has, inter alia, strongly urged that a comprehensive

in the morning lasted more than an hour, about an hour and fifteen minutes. Then the External Affairs Minister hosted a lunch in honour of the Secretary General, which was also an occasion for further discussion. It was a very well attended lunch which included the Minister of Commerce and Industry, Minister of Petroleum and Urban Development, Minister of State for External Affairs and several other personalities dealing with the UN one way or the other and people from different walks of life.

I will try and give you the flavour of the discussions with the External Affairs Minister. That will set the context for the other meetings that follow. External Affairs Minister briefed the Secretary General on several issues including our position on the United Nations reform and the need for comprehensive reform of the United Nations so that it can effectively reflect the global realities of today. In this context, naturally, the need for reform of the UN Security Council also came up and India's efforts in this regard were also discussed.

External Affairs Minister told the UN Secretary General that we are in touch with a large number of countries and we are following this process very closely. We agree with the UN Secretary General's that the UN reforms should be finalized and in place by September this year. External Affairs Minister also informed the UN Secretary General that we agree with his assessment that the idea of consensus should not become a vehicle for inaction for putting off any decisions. Several other issues were also discussed in this context, India's engagement with the United Nations and efforts in this regard and trends that have been emerging in recent months, for instance, our role in the aftermath of the tsunami disaster came up for discussion. There was appreciation from the Secretary General on how quickly India had reacted not only to its own crisis but also to extend assistance to several countries in the region.

convention on terrorism be concluded before the end of the sixtieth session of the UN General Assembly.

On India's participation in UN peacekeeping operations, Sarna said "India's participation in peacekeeping is a reflection of its consistent commitment to the ideal of world peace. India, as a major troop contributing country to UN peacekeeping operations has participated in 42 of the 60 UN peacekeeping missions established so far. Indian troops numbering over 71,000 have served in UN peacekeeping missions all over the world and in almost every UN peacekeeping operation in Africa. 109 Indian soldiers have so far made the supreme sacrifice under the UN flag." In terms of continued exchanges with the UN, UN Deputy Secretary General Ms. Louise Frechette visited India in January 2004. Mr. Jean-Marie Guehenno, UN Under Secretary General for Peace Keeping Operations, visited India in January 2005.

Other issues that came up for discussion were regional situations particularly Iraq, West Asia, Afghanistan, Sudan, South Asia which includes Nepal, Bangladesh and Myanmar. External Affairs Minister took the opportunity to brief UNSG on the very successful visits that we have hosted this month - the visits of Premier Wen Jiabao from China and President Musharraf of Pakistan. He briefed him on the results of these visits which all of you are familiar with and the positive impact that they have had in the region. UN Secretary General in his response to these issues also reiterated that UN reforms should be finalized by September and that consensus should not be allowed to become a reason for inaction, because, he said that very often in the UN consensus becomes the same as unanimity and that tends to lead to the requirement for consensus being treated as the excuse for inaction.

He made comments on these various regional situations that I have told you about. I think of interest is the fact that on Iraq he said that the UN would continue to be engaged and planned to increase its engagement and be part of the revival of the political process that is taking place. He said that they would be involved with the writing of the constitution and the referendum that would follow. External Affairs Minister offered him India's expertise in working on such issues like the drafting of a constitution and the UN Secretary General requested for the names of experts from India who could be involved in this process and these will be forwarded.

There was very generous applause from the Secretary General for the Indian Army and the role that it has played in every peacekeeping operation for the last five and a half decades. India, he said, is the third largest contributor of peacekeeping forces. About 74,000 Indian soldiers have been involved in peacekeeping and 109 have lost their lives in serving the UN peacekeeping forces. He said that the discipline and the performance of the Indian Army in peacekeeping operations was exemplary and deserved the fullest praise. In this regard he also hoped that we would be able to increase our contribution in situations which may be coming up.

I have given you the sense of what was happening. As I said this was followed by a lunch during which some of these points were reiterated in a toast, which both sides made. Now the UNSG is going to go on to meet Shri L.K.Advani, Leader of Opposition. This will be followed by call on the Prime Minister, call on Mrs. Sonia Gandhi and then he has a program on a

roundtable on HIV. I understand he is addressing a press conference tomorrow, so you will have a chance to directly ask him for his views on various issues.

Question: In Nepal former Prime Minister Sher Bahadur Deuba has been arrested and Prime Minister in Jakarta had said that India would see these things in perspective. What is your response on Mr. Deuba's arrest and what is the situation as far as the question of sending arms to Nepal is concerned now?

Answer: Let me first give you a response on the arrest and I think all the other issues follow from what the Prime Minister has stated in Jakarta. Government of India is deeply concerned at the re-arrest of the former Prime Minister and Leader of Nepali Congress (Democratic), Mr. Sher Bahadur Deuba early this morning. We are also concerned that the arrest and detention of political leaders, student leaders and workers of political parties continue, as do the restrictions on travel and movement of some academicians, human rights activists and students, contrary to assurances conveyed to us.

We believe that these developments would further complicate efforts for reconciliation between political parties and the Constitutional Monarchy in Nepal. It has always been India's conviction that the problems confronting Nepal today can be addressed effectively only on the basis of national consensus between the two constitutional forces.

As far as the second part of your question is concerned it follows from what Prime Minister said, that we will see that issue in the proper perspective, which means that all factors and all developments will be taken into account.

Question: When you say that contrary to Nepali assurances, are we saying that the consignment of arms that was being talked about in the last few days will be reviewed?

Answer: I think the presumption that lies under your question; I am not quite inclined to be in agreement with. I think as far the issue of defence supplies to Nepal is concerned the statement that the Prime Minister made was very clear - this was raised and this will be considered in the proper perspective. So, I would not fully agree with the presumption that you are making.

Question: I have not yet fully understood what the proper perspective means?

Answer: I am not going to be able to second-guess that statement and to define what the proper perspective means. Obviously, when we say it will be considered in the proper perspective it means that we would take into account all developments, all situations and balanced decisions will be taken.

Question: Which means that the consignment that was supposed to go is that on board?

Answer: I am not going to say anything more on this. When the Prime Minister himself has spoken, I would not try to read meanings into it.

Question: Has there been any conversation between India and Nepal since the arrest of Mr. Deuba last night?

Answer: Not to my knowledge but I will have to double check.

Question: What did the UNSG say on Nepal?

Answer: I must tell you that delegation level talks are confidential in nature. I have tried my best to give you a flavour of the discussions without breach of confidentiality. Let me say that on Nepal there was an exchange of views. As you know the External Affairs Minister as well as the UN Secretary General both had called on King Gyanendra in Jakarta. So, they obviously have had discussions with him which they could share. So, Secretary General gave his assessment of the meeting and the situation.

Question: To go back to the question of UN reform. The Group of 4 is getting into a framework resolution in the General Assembly. Was this discussed? When is this resolution going to be tabled?

Answer: We did not go into the specifics of the entire process. There are a lot of developments taking place in New York and in various capitals. I think what was the focus here was to reiterate India's claim to the Security Council, to reiterate our position, to keep the Secretary General abreast of what we were doing. He gave us his assessment. I must underline that this is not only on the Security Council that the discussion is taking place. It was on all UN reforms. Naturally, UN Security Council forms a very important part of this. So he gave his assessment of what he thinks of the timing – to be done

before September. In one and a quarter hours and this sort of a discussion, this was not the place to go into the mechanics of reforms.

Question: ...inaudible... consensus should not lead to inaction?

Answer: This is the view that the Secretary General himself has propounded.

Question: And you agree with that?

Answer: We have supported it.

Question: And what is our view? Are we ready for the vote?

Answer: A vote on what? There are various possibilities open at the moment. Let us not jump to simplistic conclusions. The point behind this that consensus should not become a vehicle for unanimity is what the Secretary General has propounded in his report and said many times later, that there should be a groundswell for reform, and if there is a method of getting a closure on a decision or on a discussion in an organization that method should be used.

Question: What is India's view?

Answer: Our view is that we support this idea that the need for reform should not become captive to the need for unanimity.

Question: What was Mr. Annan's agenda for this visit?

Answer: He had made opening remarks at the airport which explains his mission. I would not really like to be speaking on his behalf. He has spoken to the press already and he is, I believe, speaking to the press tomorrow.

Question: Was there any discussion on terrorism?

Answer: Yes, terrorism was mentioned as a primary concern of India and several like-minded countries in the UN context because we have a draft convention on counter-terrorism in the UN. Terrorism is a global concern; it is a concern for us and several like-minded countries. This point was reiterated and the UN Secretary General also said that he was hopeful of forward movement on that convention.

Question: Did India raise the issue of veto power in the UNSC?

Answer: Our position on that issue as on the entire Security Council issue has already been raised and does not need to be repeated at every stage. It has been our position that there should be no discrimination between the current permanent members and the new permanent members. This has been stated in Parliament.

Question: Was this raised again?

Answer: I am not going to go into the exact words of the discussion but our position is well-known to him and our position has been reiterated.



655. Speech by External Affairs Minister K. Natwar Singh at a luncheon hosted in honour of UN Secretary General Kofi Annan.

New Delhi, April 27, 2005.

Your Excellency

Secretary General of the United Nations

I am delighted to welcome you to India and to continue our dialogue from where we left off in Jakarta. Given India's commitment to the United Nations, a visit by the Secretary General is always special for us and we hope that you, too, will carry satisfaction from a productive engagement and interaction with us. I am also happy to welcome Mr Lakhdar Brahimi, whom I have known from before, and other members of your delegation.

Secretary General,

We are at a critical juncture for the United Nations with an imperative both for change with the way the organization is structured and works as also in its policy direction and agenda. The United Nations must truly reflect contemporary global realities and take the lead in serving the interests of all.

Secretary General,

I am happy that you have taken great initiative in bringing out a

report focusing on the challenges facing the world and the United Nations in addressing these concerns. We hope that the deliberations which have begun and which will be taken forward at the high level event in September 2005 will have a beneficial impact on humanity as a whole.

The challenges which the international community faces today whether in the field of development or security are global in nature and require a collective response. Only through a genuine multilateral approach with UN at the centre can these challenges be addressed.

Secretary General,

I am happy that you have taken the initiative to reform the UN. As you know India became the founding member of the United Nations, by virtue of being a member of the League of Nations, even when the country was yet a British colony. Strengthening of the UN machinery is a matter of obvious interest to us with our long and active association with the UN. The architecture of the United Nations has remained frozen in history reflecting the realities of the past. Its agenda is being increasingly determined by the priorities of a few. It is clear that to meet the challenges of the 21st century the United Nations will have to reform to make it a more effective and efficient instrument to tackle shared threats and shared needs.

It is important that the developing countries, which constitute the vast majority of the membership, should be able to decisively influence the global agenda in all its aspects. The General Assembly should be revitalized and strengthened to effectively guide the other organs of the Charter. The Security Council needs to be reformed and enlarged in both permanent and non-permanent categories to make it truly representative and reflect the current global realities. It should include both developed and developing countries. An enlarged Security Council in both permanent and non-permanent categories will not only enhance its authority and make it more representative but also contribute to wider acceptance of its decisions, increasing the power of persuasion and minimizing the use coercive measures. In our judgment, there should be no discrimination between the current permanent members and the new permanent members.

Secretary General,

We agree with you that any reform of the UN will be incomplete

without the reform of the UN Security Council. We have been discussing this issue for over a decade now. In our judgment, search for consensus should not become a vehicle for inaction or postponing action. We support your suggestion for a decision on this issue before the September Summit.

I understand that you will be speaking on the report before a public audience tomorrow. This, by itself, would indicate to you the huge measure of interest in India in the United Nations and the desire to see it succeed in all areas and for all. I can assure you of the Government of India's active engagement in the process and keen desire to obtain a balanced outcome.

I would also like to wish you much success in your endeavor in galvanizing world opinion in favour of the urgent need of taking the United Nations forward and truly placing it at the center so that it can play a lead role in the setting and implementation of the global agenda to our common benefit.

Ladies and Gentlemen,

May I request you to raise your glass to the health and well being of His Excellency the Secretary General of the United Nations.



656. Joint statement issued by the Foreign Affairs Ministers of Brazil, Germany, India and Japan on United Nations Reforms.

Brussels, June 22, 2005.

1. Minister of External Affairs of the Federative Republic of Brazil Celso Amorim, Vice Chancellor and Minister for Foreign Affairs of Federal Republic for Germany Joschka Fischer, External Affairs Minister of India Natwar Singh and Minister for Foreign Affairs of Japan Machimura Nobutaka shared an urgent need to strengthen the United Nations in order to effectively address today's challenges, and the need for comprehensive U.N. reform, including development, security and human rights. They reiterated their resolve to further cooperate to make the Summit meeting on the Millennium Declaration in September a great success, with substantial achievement in various fields.

2. They reiterated the view that the Security Council must be reformed to represent today's global realities, not the world of 60 years ago. To this end, the Security Council must be expanded in both permanent and non permanent categories, on the basis equitable representation, with the inclusion of both developed and developing countries. In line with the recommendation of Secretary General who had urged Member States to take a decision on the important issue of Security Council reform before September 2005, they expressed their resolve to introduce the text of the framework resolution, leading to its adoption by the General Assembly after AU and Caricom Summit meetings in July¹.



657. Statement by Minister of State E. Ahamed at the High-Level Dialogue of the General Assembly on Financing for Development.

New York, June 27, 2005.

Mr. President,

We welcome this opportunity to participate in the High—level Dialogue of the General Assembly on Financing for Development. We have consistently held that the United Nations should have the pivotal role in setting the global development agenda, including in relation to trade, external debt, money and finance, and technology, and in providing political guidance to the work of the Specialised Agencies, including, in particular, the World Bank, the International Monetary Fund and the World Trade Organisation.

1. The meeting in Brussels took place in the background of the statements emanating from Washington that it favoured expansion of the Council by only two members. The move was perceived as an effort to split the G-4 countries. It was argued that adding just two members would not change the equation in the security council. India and the other G-4 countries have mutually agreed to support one another for a permanent seat in the enlarged Security Council. Facing a stiff resistance to see through its resolution, the group even offered to drop the demand for veto power for the initial 15 years. Earlier the External Affairs Minister Natwar Singh spoke to the British and German counterparts on June 13. In talks with the British Foreign Secretary Jack Straw and German Foreign Minister Joschka Fischer, Mr. Singh discussed different aspects of the resolution. Prior to this Mr. Singh had spoken to the Foreign Ministers of Japan and Brazil.

Mr. President,

The Monterrey consensus emphasises the role of the State in socio-economic development and the importance of public investment in this context. We believe that the role of the State should not be limited to providing a favourable macro economic, legal and regulatory framework for private sector growth and for attracting investments from abroad. It needs to undertake substantial investment in human development sectors and in basic physical, social and institutional infrastructure.

There is urgent need for transforming the Monterrey consensus into concrete action. We welcome the recommendations of UN Secretary-General to establish fixed time-tables for developed countries to achieve the 0.7 percent target by 2015 at the latest, with an intermediate target of roughly doubling aid to 0.5 per cent for 2009, and to direct more aid to the least developed countries, as well as to make concrete commitments to improve the quality of aid.

The absence of substantial progress in infusing adequate amounts of additional Official Development Assistance [ODA] to meet the Millennium Development [MDGs] has prompted exploration of various innovative financing mechanisms. It is a truism that enhanced rates of growth cannot be achieved without increasing the investment ratio and the marginal output capital ratio. In short, both finances and efficiency are required. The Sachs Report has clearly concluded that ODA levels cannot be increased sufficiently, and sufficiently rapidly, to meet development needs, including the achievement of MDGs. Therefore, innovative financing is inevitable. Different proposals have been made to raise resources for development. These range from an international travel surcharge through a variant of the Tobin tax and allocation of developmental Special Drawing Rights [SDRs] to the most apparently popular, namely, an International Finance Facility [IFF] that would leverage the amount got by front-loading ODA in the money market, presumably through bonds. In any case, it would be important to ensure that ODA does not fall below a pre-committed level. These proposals for innovative mechanisms continue to face several challenges. In this context, we stress the need to ensure that new mechanism and new sources should not lead to greater burdens on developing countries. Innovative financial mechanisms and innovative sources of financing should not impact adversely on the existing level of resource flows.

While ODA would help achieving the MDGs, trade would help in sustaining the gains. In this context, it is important to make the Doha Round of Trade talks development oriented in reality and to bring the Round to a conclusion expeditiously. A major reform of agricultural trade and subsidies policies in developed countries is needed so that agriculture can become an engine of growth and poverty reduction in developing countries. Liberalisation of services sectors to facilitate exports and removal of service provision restrictions will be essential to enable countries to reap the benefits of their comparative advantages. Developing countries need greater protection for their biodiversity resources and fair recompense for its exploitation by others. It is time to bring down the barriers not just against trade but also the barriers to development erected in several industrial economies, which deny opportunities for faster growth in developing countries. In the case of Non Agricultural Market Access [NAMA], it is particularly important that any reduction formula adopted does not infringe the principle of special and differential treatment and the flexibilities available to developing countries in the July 2004 Framework Agreement. We welcome, in this context, UN Secretary-General's call to conclude the Doha Round of trade negotiations by 2006, as long as the outcome would give substance to the claim that this would be truly a 'development round'.

Mr. President,

Statistics from Sub-Saharan Africa demonstrate that debt-constrained structural adjustment policies compounded the problem through decline in agricultural investment. It logically follows that any achievement of MDGs in a sustained manner, leading to real economic transformation, is hardly possible without a fundamental reform of international economic and monetary institution Democratic deficit in the governance of Bretton Woods Institutions needs to be addressed to enhance legitimacy, transparency, accountability and ownership of decision-making process. Since Monterrey the progress has been limited to and distracted by peripheral issues which are not central to enhancement of 'voice' in decision-making. We would strongly urge gaining of momentum towards tackling the central structural issue of voting power. The need for greater voice and representation of the developing countries in the international financial institutions and the decision-making processes cannot be over-emphasised. Good global economic governance is as important as good national governance for economic efficiency.

We support the extension of further debt relief to Highly-Indebted Poor Countries [HIPCs] and low-income countries facing problems of inadequate resources for financing MDGs. This, we feel, is of critical importance for the economic stability and prospects of the highly indebted and the least developed among us. Debt payments and worsening terms of trade can neutralise all efficiency gains from good governance and sound macro-economic management and reduce resources available for education and public health. That is why it is important that debt write-offs have to be accompanied by better terms of trade, greater access to markets and investment inflows. Further, debt sustainability should not be only for the purpose of attaining the MDGs.

Mr. President,

As in the case of international trade, financial and monetary organisations, so also in the currently strongest body of the United Nations, it is only the permanent membership of developing countries as a group in solidarity, which can contribute effectively to realising the political and economic agenda of the developing world. This would increase policy space and participation for all and the change in the co-relation of forces would strengthen the General Assembly and the Economic and Social Council. Such change can help in re-establishing the pivotal role of the United Nations, where the UN sets the agenda and BWIs and other institutions follow. The September event gives us the opportunity to restore development as the centrepiece of the global agenda with primacy of the United Nations.

Mr. President,

India recognises the need for an effective mechanism to assess the implementation of commitments and agreements reached at the Monterrey Conference. The annual meetings of the Economic and Social Council (ECOSOC) with the Bretton Woods institutions, World Trade Organisation and the United Nations Conference on Trade and Development should serve this purpose. The need for greater synergy between the annual meetings ECOSOC with the Bretton Woods Institutions and WTO and the UNCTAD on the one hand, and biennialised high-level meeting of the General Assembly on the other, is also recognised. But coherence between the UN and the Specialised Agencies is, by itself, not enough to accomplish this. For this reason, we are not convinced of the recommendation of UN Secretary General to establish an executive committee of the ECOSOC to

facilitate cooperation with multilateral institutions dealing with trade and finance. The UN has to not only play a predominant role in setting the direction, but in delineating and guiding the international macro-economic agenda.

Thank you, Mr. President.



658. Statement by Permanent Representative at the United Nations Nirupam Sen at the informal meeting of the Plenary to exchange views on the President's Draft Outcome Document of the High-Level Plenary Meeting of the General Assembly of September 2005.

New York, July 1, 2005.

Please See Document No. 703.



659. Briefing points by Official Spokesperson on External Affairs Minister's meetings in London in connection with G-4 efforts to evolve a consensus on a common resolution for UN Security Council expansion.

London, July 5, 2005.

- Foreign Ministers of India-Brazil-South Africa (IBSA) Forum - Mr. Natwar Singh, Mr. Celso Amorim of Brazil and Ms. N.D. Zuma of South Africa – met with the Foreign Ministers of Nigeria (Adeniji Oluyemi and Botswana (Mompoti Merafhe) and representatives of some other African countries in London on July 24 to discuss the reform of the UN Security Council, and the prospect of evolving common G4-AU resolution for UN Security Council expansion.
- They had a detailed and positive discussion, and agreed that in view of their common objective, it was important for G4 and AU to

reach a mutual understanding. They agreed that the meeting of the G4 Foreign Ministers and the Foreign Ministers of the AU 18 today (July 25) would be important in this regard.



660. London Declaration of G-4 Countries on the reforms of the UN Security Council.

London, July 8, 2005.

The Minister of External Relations of Brazil Celso Amorim, the Vice-Chancellor and Minister of Foreign Affairs of Germany Joschka Fischer, the Minister of External Affairs of India Natwar Singh and the Minister of Foreign Affairs of Japan Machimura Nobutaka met today at the Embassy of Brazil in London with the Minister for Foreign Affairs of Ghana Nana Addo Dankwa Akufo-Addo, in his capacity as a member of the core group of the follow-up mechanism on the reform of the United Nations established by the African Union, to review developments at the AU Summit in Syrte and to discuss prospects for common action in the immediate future with regard to the expansion and reform of the UN Security Council. The G4 have tabled their draft framework resolution on July 8th, 2005. They recalled the Brussels Declaration, which expressed their intention to introduce the text of the framework resolution leading to its adoption by the General Assembly after the African Union and Caricom meetings in July. Against the backdrop of the decisions of the recent Summit of the African Union in Syrte and the Caricom Summit in St. Lucia, the Ministers reiterated their readiness to continue to dialogue with the African Union, Caricom, as well as co-sponsors of the draft resolution and the UN membership at large. The five Ministers of Foreign Affairs remain committed to UN reform, in particular Security Council reform, including enlargement by non-permanent and permanent members, and will work together towards a successful outcome. The Ministers agreed to meet at the Indian Mission in New York on July 17th to discuss the matter further. The Ministers strongly condemned the terrorist attacks in London on 7 July 2005 and expressed their deepest sympathy and condolences to the victims of these attacks and their families, and to the people and Government of the United Kingdom, and reaffirmed

their determination to spare no effort to combat terrorism in accordance with their responsibilities under the Charter of the United Nations.



661. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on Agenda Item 53: "Question of Equitable Representation on and increase in the Membership of the Security Council and Related Matters."

New York, July 12, 2005.

Please See Document No. 707.



662. Briefing points by Official Spokesperson on discussions between G-4 Foreign Ministers and African Union follow-up mechanism.

New Delhi, July 26, 2005.

- There was a breakthrough in the discussions between G-4 Foreign Ministers and the AU Follow-up Mechanism after intensive negotiations lasting the whole day yesterday (July 25) in London.
- The AU agreed not to press the issue of the veto at this time.
- On the issue of the additional non-permanent seat, the following understanding was reached on which the AU would consult their Heads of State/Government and confirm their acceptance at the earliest:
 - i) The UN Security Council should be expanded to 26 members.
 - ii) The 26th seat shall be a non-permanent member's seat, which will

be floated among the developing countries of Africa, Asia and Latin America and the Caribbean States.

- iii) The above changes shall be incorporated into a joint AU-G4 resolution on the understanding that continued support by AU and G4 co-sponsors as well as supporters is ensured, with a view to adopting the resolution, if possible by the end of the month¹.



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1. Before the breakthrough was achieved, EAM Natwar Singh and his G-4 counterparts – Brazil's Celso Amorim, Germany's Joschka Fischer, Japan's Nobutaka Machimura – had intensive negotiations over two days with African Union led by the African body's chairman Nigerian foreign minister Oluyemi Adenijini. Nigeria, Ghana, Libya, Egypt and Algeria were part of the AU delegation. Adenijini said at the end of the negotiations that "the agreement is that we will work towards coming out with a joint draft resolution. We have some common understanding of the elements of the joint proposal".
- The External Affairs Minister K. Natwar Singh calling himself to be a "realist" said in London on July 12 that failure by India and a group of other nations to become permanent members of the United Nations' Security Council would be nothing short of tragic. "India will be registering an economic growth rate of eight percent, regardless. And at the UN, we will continue to push for reforms as a member of the Group of Four," he said. "I am neither optimistic nor pessimistic about our prospects. I am being realist – it's a fairly complicated process," he said. It may be mentioned when the G-4 Resolution on enlargement of the Security Council was introduced on July 13 there were 23 countries listed as co-sponsors and they were: Afghanistan, Belgium, Bhutan, Czech Republic, Denmark, Fiji, France, Georgia, Greece, Haiti, Honduras, Iceland, Kiribati, Latvia, Maldives, Nauru, Palau, Paraguay, Poland, Portugal, Solomon Islands, Tuvalu and Ukraine. The draft called for enlarging the Security Council from current 15 members to 25 by creating six new permanent seats without veto power and four non-permanent seats. Introducing the resolution on behalf of the G-4, seeking permanent membership of the council, Brazilian UN Ambassador Ronaldo Mota Sardenberg rejected the suggestion that expansion should only be done through consensus, saying democratic expansion of the Council could only be achieved by election of new permanent members by the 191-member General Assembly.
- Meanwhile the G-4 countries were surprised at the allegation made by the Italian Ambassador at the UN Marcello Spatafora that the G-4 countries were "resorting to financial leverage and to financial pressure in order to induce a government to align or not to align itself with a certain position or to co-sponsor or vote in favour of a certain draft." On July 28 at the media briefing the Spokesperson Navtej Singh Sarna was asked specifically about this Italian allegation. The following questions and answers are relevant in this connection:
- Question:** What is the status of joint AU-G4 resolution? Also, the Italian Permanent Representative has accused the G4 of indulging in unethical practices. Any reaction to that?
- Answer:** Well, as far as the status of resolution is concerned, you have seen the press statement that was issued after the G4-AU meeting and said that the resolution will be brought forward towards the end of the month for action. So, that is where it stands at the end of that meeting and the consultations are going on for exactly how to implement that decision.
- As far as the remarks of the Permanent Representative of Italy in New York are concerned, I can tell you that Government of India has taken up the issue both in New Delhi with the

663. Statement by Official Spokesperson on Extraordinary African Union Summit held in Addis Ababa on the question of UNSC reforms.

New Delhi, August 5, 2005.

It is a matter of regret that the Extraordinary African Union Summit held in Addis Ababa on August 4, 2005, was unable to endorse an AU/G4 draft Framework Resolution, based on the understanding arrived at between the G-4 Foreign Ministers and the representatives of the AU, in London on July 25, 2005. India has noted the decision of the AU Summit and will, in close consultation with G-4 members, continue to engage African countries with a view to promoting a common understanding.¹

External Affairs Minister, Shri K. Natwar Singh has already spoken to the Foreign Ministers of Brazil, Germany and Japan. The Ministers agreed to remain in touch to review the situation arising out of the decision taken at the AU Summit in Addis Ababa. The G-4 countries reaffirmed their solidarity

Ambassador of Italy based in New Delhi as well as through Ambassador of India based in Rome. These demarches are being made essentially to express our surprise and deep regret at these serious and completely baseless allegations made by the Italian PR about a group, which includes a friendly country like India. We would expect that the Government of Italy would disassociate itself from the remarks made by its Ambassador, which are in complete violation of all norms of diplomatic propriety.

Question: Last month Minister of State Rao Inderjit Singh had visited Italy, which is a member of the Coffee Club. Does this statement reflect a stated position of the Government of Italy and does it pertain to India or the G4?

Answer: I think that the statement talks about G4 and that is what I have said in my response – that it mentions a group, which includes a friendly country like India. How far it reflects the position of Government of Italy would remain to be found out because as I said we hope and expect that they would disassociate themselves from these remarks. Taking a position is one thing but making remarks like these, which are in complete violation of diplomatic propriety is another.

Question: Was the Italian Ambassador called to the Ministry?

Answer: That process is going on. I do not know the exact timing when he is coming to the Ministry. But yes this demarche is being made to the Italian Ambassador to New Delhi as well as through our Ambassador in Rome.

Question: Are we expecting AU to vote as a block now or are there still divisions?

Answer: I would not like to hazard a guess. There is a stated agreement between G4 and AU, which you have seen and that I would expect is the formal position of AU.

1. The spokesman Navtej Sarna was reacting to the African Union decision that the new members of the UNSC must have veto power as opposed to the informal decision taken earlier that the new entrants would postpone the question of veto for the time being in order to garner the widest support for the expansion in the membership.

and will continue to act in unity to promote the cause of UN reform, including UNSC reform.



664. Question in the Rajya Sabha: “Expansion of the UN Security Council”.

New Delhi, August 18, 2005.

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

- (a) the latest position in relation to the expansion of the UN Security Council;
- (b) whether Government have been assured of full support from the P-5;
- (c) whether Government have been able to muster support in relation to this in the UN General Assembly; and
- (d) if not, the reasons therefor?

The Minister of State in the Ministry of External Affairs (Rao Inderjit Singh):

(a)-(d) A Statement is laid on the Table of the House.

Statement

Government of India believes that no reform of the UN will be complete without the reform and expansion of the UN Security Council. The Security Council must, in its composition, reflect contemporary geopolitical realities and not those of 1945; its actions must be representative, legitimate and effective and its methods of work and decision making process more democratic, transparent and responsive. To reflect the changed realities, it is essential that the Security Council is expanded in both the permanent and non-permanent categories. The inclusion of developing countries from Asia, Africa and Latin America, who are capable of global responsibility, will contribute to optimal decision making necessary to address the insecurity of developing countries.

India's impeccable credentials for permanent membership of the UN Security Council are well known. It is clear and widely recognized that on the basis of any objective criteria such as the population, size, GDP, the economic potential, cultural diversity, civilizational legacy, maturity of political system, contribution to the activities of the UN, in particular to peace keeping operations, and its unique developing country perspective, India is well qualified to be a permanent member of the UN Security Council.

Support for India's candidature for permanent membership of the UN Security Council has been expressed in various forms and fora. Some countries have expressed support confidentially in bilateral discussions. There has been a steady accretion of support to India's candidature since it was announced in 1994.

Any reform of the UN Security Council requires amendment of the UN Charter, which is a complex exercise. India, along with Brazil, Japan and Germany - now being termed as the Group of Four (G-4) countries - have introduced a Framework Resolution which seeks to reform and restructure the UN Security Council through a three step process, consisting of a decision on the Framework Resolution, the election of new permanent members in the General Assembly and subsequently, the adoption of a Resolution for revision of the UN Charter. All these steps require support of two-thirds majority of the entire UN membership. For entry into force of the Charter amendment, ratification by two-thirds majority of the entire UN membership including all the current permanent members of the UN Security Council is required. The G-4 countries have been actively engaging with other member countries of the UN to mobilize support in favour of their initiative. They have formally introduced the Framework Resolution in the General Assembly. The African Union (AU) as well as the Uniting for Consensus Group, formerly known as the 'Coffee Club', have also introduced their Resolutions in the UN General Assembly.

India and other countries of the G-4 have been actively engaged with the countries of the African Union with the objective of introducing a joint G4-AU Resolution. On the basis of the understanding reached between the G-4 and the African Union Follow-up Mechanism during discussions held in London on July 25, 2005, it was agreed that the latter would consult the African States and revert on harmonizing the G-4 and AU Resolutions and having a joint Resolution. While the African Union, at its Extraordinary

Summit held in Addis Ababa on August 4, 2005, could not endorse the London Understanding, further efforts in this direction are being made.

Among the P-5 countries (China, France, the Russian Federation, the UK and the USA), France, Russia and the UK have publicly expressed support for India's candidature for permanent membership of the UN Security Council. France is a co-sponsor of the G-4 Resolution and the UK is also supportive of this. The India-US Joint Statement issued on July 18, 2005 during Prime Minister's visit to Washington DC, inter-alia, states that 'international institutions must fully reflect changes in the global scenario that have taken place since 1945. The President (of the USA) reiterated his view that international institutions are going to have to adapt to reflect India's central and growing role.' As for China, the Joint Statement signed by the Prime Ministers of India China on April 11, 2005, during the latter's visit to India, inter-alia, states 'The Chinese side also reiterated that India is an important developing country and is having an increasingly important influence in the international arena. China attaches great importance to the status of India in international affairs. It understands and supports India's aspirations to play an active role in the UN and international affairs.'

Shri Rajnath Singh: *Mr. Chairman, Sir, through you I shall like to draw the attention of the External Affairs Minister to para 5 of his reply: on the basis of the understanding reached between the G-4 and the African Union Follow-up Mechanism during discussions held in London on July 25, 2005, it was agreed that the latter could consult the African States and revert on harmonizing the G-4 and AU Resolutions and having a joint Resolution. Now after that, while the African Union, at its Extraordinary Summit held in Addis Ababa on August 4, 2005, could not endorse the London understanding, further efforts in this direction are being made.*

I want to know from the Hon. Minister if there had been some lapse on our part or there has been some slackness in the efforts, or there has been some lack of diplomatic skill that we could not muster the support of the African Union?

Shri Rao Inderjit Singh : Sir, it has always been known that getting into the Security Council is not going to be a cakewalk. And, despite our efforts, it is quite possible that nothing would happen. The impression that the African Union is not with India is a roaring news. The basic, fundamental, plank of our foreign policy is that we must build and strengthen our relations with the

African Union. We must build South-to-South cooperation, and to ensure that Africa and India remain co-united, we have, as a policy, given grants under NEPAD, which is around \$ 200 million; we have given grants under the Team- 9 initiative, which is around \$ 500 million. Thus, India and Africa have been working jointly and relations with India and the African continent have become better and not worse.

The question is that Africa has not been able to endorse the G-4 Resolution because of certain dissensions amongst the countries vis-a-vis themselves, North Africa versus South Africa, East Africa versus West Africa and so on. The hope we had that the London understanding would be endorsed by the African Summit at Addis Ababa in Ethiopia, could not somehow get through. So, unfortunately, at that time, we had to suffer a setback. But African relations vis-a-vis India have been on the mend always and Africa is supportive of India better than other members of the G-4.

Shri Rajnath Singh: *Mr. Chairman Sir, As far as the African Union is concerned we could not muster its support. Along with that we could not possibly get the support of the the countries of the Organisation of Islamic Conference. Some months ago we had seen a statement of the External Affairs Minister in the newspapers saying that without the right to veto India will not accept the permanent membership. Thereafter America responded and stated " The US Government will not accept any proposition that any new member of the Security Council will have the right to veto." What were the compulsions for the Minister to make such a statement? At that time it appeared to us that India was forestalling the issue...(interruptions)..It was stated in the House also that India was forestalling the issue so that India would get the permanent membership of the Security Council if not with veto power at least without a veto power. Sir though you I would like to know from the Hon. Minister whether the G-4 countries which are in touch with each other, are the negotiations only for permanent membership with the right to veto?*

Shri K.Natwar Singh: *Mr. Chairman, The question asked by Shri Rajnath is reasonable. It is going on since 1994 that the Security Council needs reforms because what was the shape of the world in 1945 is no more there. But between 1994 and 2004 nothing happened. In 2004 Brazil, Germany, Japan and India raised the collective voice that the Security Council was expanded. The Secretary General also appointed a high level panel "threats,*

challenges, and change” so that at the time of the 60th anniversary of the UN, which happens to be on 7 September, some suggestions are available before that. The success of the G-4 is in that the question of Security Council reforms has been placed on the agenda of the United Nations and it is not going to go away. You have asked about the veto. I made a statement and the Prime Minister too made a statement in this House that there should be no difference between the new permanent members and the original five members. If they have the veto, the new members should also have it. When G-4 was formed and the Secretary General came here, he said plainly that if you were trying that the present P-5 will give you veto then forget it. This was a non-starter. Then the four discussed again. There are 32 sponsors for our resolution. France too has co-sponsored it. It was then decided that if this question was an impediment to the reforms of the United Nations, this issue should be postponed for fifteen years. Our sponsors, Brazil, Japan, Germany and India all agreed that this issue is separated from the issue of reforms. We did not say there should be no veto. But if this was an impediment we agreed to make this sacrifice. Whatever the criteria India is part of it. Whatever the criteria—economic potential, ... (interruptions) .. we discussed with our African friends. On September 24 last, the Prime Minister met the President of Brazil, the Prime Minister of Japan, Vice Chancellor of Germany and Foreign Minister and declared that we four are the candidates and also that Africa should have a permanent seat. The meeting we had with the Africans in London there was a broad agreement that there shall be a joint resolution. Where was the hurdle? When Prime Minister went to Gleneagles there were also the leaders of Ghana and Nigeria. After the Gleneagles, when we met in London, the Foreign Minister of Ghana said that there should be 25 members and Africa would like it further to be increased to 26. Today there are 15 – five permanent and 10 non-permanent. We want 25 but Africa wants 26; in that there is also difference of opinion among the G – 4. We want to carry the African Union along. We were agreeable, but we suggested that the 26th seat shall be revolving – for two years South America, for two years Africa, and for two years Asia. There was agreement on this. There was difference of opinion at the Addis Ababa Summit. Now Algeria is against Egypt, Italy is against Germany, China is against Japan, and our neighbour is against us. They have formed a group –Coffee Club. Argentina, Mexico, Korea, Pakistan and Italy are all part of that. The other group is that of Africa. In all there are three resolutions on the table. We have maintained that unless there are

128 we shall not go in for a vote. Without Africa no one can get 128 votes; that too if all the 53 countries of Africa stay together even then this figure may not be reached. When the General Assembly meets this question will come up. There has been no let up on our side. Our diplomacy has not failed. Our success lies in the fact that despite American and Chinese opposition, the G-4 has succeeded in keeping the issue alive on the international agenda. It would not go away from there. Whenever the expansion takes place, it is not easy, in the first place 2/3^d majority is needed in the General Assembly. Then the each selected country would need 2/3^d majority. Then it would be submitted to each country for ratification. There shall be two, three stages. It will all take time. But I assure you that we have not been wanting. We have sent special envoy to all the places. We want to succeed.

Shri Nilotpal Basu : Sir, the contemporary context of reforms in the UN is the fact that there is a single superpower who is undermining the UN system, and that is evident in what is happening even today in Iraq. Now, in that context, the reform will depend on two-third majority of the UN system. Sir, through you, I would like to ask the hon. External Affairs Minister whether the perceived drift of the Indian foreign policy towards the United States in the past is creating problem for us to be favourably disposed with majority of the developing nations, whose support is the most crucial factor in taking forward this process.

Shri K. Natwar Singh : All I can say is that my understanding of our relationship with the United States is that our relations are very good; our relations with China are very good; our relations with Japan are very good; and, our relations with developing countries are very good. The fact is that in the P-5, only three out of P-5 Members have agreed that there should be a reform. France has gone on saying that G-4 Resolution should be postponed. The reservations are from the United States and the People's Republic of China for different reasons. Now, the Chinese Prime Minister was here. I am not disclosing a secret. He told us that China would not be an obstacle for India becoming a permanent Member. I met the President of China, Mr. Hu Jintao in Kazakhstan six weeks ago and he also told me that China would not be an obstacle and we accept the word that they have given to us. The United States have announced that they will support the candidature only of Japan. So, we have asked them, does this mean that you accept the high level panel, Model 'A' which says that there should be

an increase in Permanent Members. Their answer is 'no'. Japan is a special case. That is their position. And, they say, what is the great hurry in rushing on to this expansion of this Security Council before other reforms of the UN System like the question of the Human Rights Commission.

Now, Sir, the fact is that the Security Council is the most important element of the United Nations System, and, if the reform does not take place there, the other things will not follow. Now, we have told them, isn't 60 years enough for waiting because the world of 2004-05 is different from that of 1945. India is a founding Member of the UN. People don't seem to know. We were a Member of the League of Nations. The British had such a clout, at that time, that India was a prominent Member of the League of Nations. So, we did not have to be elected.

The United States have made their position clear that, as of now, they are not in favour of the expansion to 25. They would like a Security Council of 20 or 21. The matter rests there. In September, we will all meet and we will extend the discussion with all countries. But this issue is not dying away.

Shri Nilotpal Basu : Sir, but I must observe that there is no reply. (Interruptions).

Shrimati Sarla Maheshwari: What shape it takes, the Minister has said nothing about this.

Mr. Chairman : Please take your seat. (Interruptions)

Shri Yashwant Sinha : Mr. Chairman, Sir, first of all, I notice a sense of despair in the reply of the Government. The hon. Minister of State said just now, "Ultimately nothing may happen". I would also like to differ with hon. Minister of External Affairs when he says that between 1994-2004, nothing happened. When we announced our candidature in 1994, the then Congress Government, the subsequent UF Government, then our two Governments, we consistently worked during this period and built up a support base for India's candidature in the Security Council and the Minister admits as much in his reply, 'accretion of support'. Now, what has happened, Sir? What is happened is by getting together with this so-called, or, in the so-called G-4, we have now a situation where the US and China are actively working against our Resolution in the UN General Assembly. Even Russia, which

has been a consistent friend of India and a consistent supporter, has publicly said that it is not in favour of the G-4 Resolution. African Union, Sir, is not prepared to support us. Then even our neighbours, like Sri Lanka and Nepal, I find, are not in support of the G-4 Resolution. Now, the Minister would like us to believe that by getting together in this framework of G-4, we have put the agenda of Security Council reform firmly on the table. I would like to join the issue with him and say that the reform of the UN system was put firmly by the UN Secretary General appointing the high level group and the high level group giving its report. That is the...(Interruptions)...The Minister is giving a long reply. I have also to ask him a question. The point I am making is...(Interruptions)...

Mr. Chairman : Please put your question.

Shri Yashwant Sinha : Sir, the question I am asking the Minister is: was it a diplomatic error on the part of India to have left the company of the developing countries and worked together with countries like Japan and Germany and taken their liabilities rather than the assets?. (Interruptions). This is the question that I am asking..(Interruptions)

Mr. Chairman : Hon. Minister, please reply.

Shri Yashwant Sinha : ...because you don't know the difference between sinus and cyanide.

Shri K. Natwar Singh : Sir, I would like to assure my friend and former Minister of External Affairs that there is no question of any despair. Despair, for what?

Shri Yashwant Sinha : Your colleague said it.

Shri K. Natwar Singh : No, no. He did not say despair. The fact is that it is extremely bountiful. If I were to enumerate to you the differences between the Africans, it will be a litany and will go on till evening, or the differences between developing countries, differences between the developed countries.

Mr. Chairman : Please come to the question.

Shri K. Natwar Singh : Sir, it is an extremely complicated issue. And, the Secretary General's Report would not have taken off, if these four important countries, large countries, Germany, Japan, India and Brazil, they are not

insignificant countries. We had pushed this. We would not like to put it under the carpet. We have made certain that this remains on the agenda and we will go on and try to do so. Sri Lanka is supporting us on the Resolution of our candidature, for your information. Afghanistan is supporting us. There are many countries which are not supporting. But, the African countries are supporting us. The South African countries are also supporting us. The G-4 has the maximum support at the moment, but it is not 128, and you know that as well as I do.

Shri Jairam Ramesh : What about that sinus and cyanide? ... (Interruptions)..

Shri Kapil Sibal : Sinus lead to despair and cyanide leads to suicide.

Shri Anand Sharma : Thank you, Mr. Chairman, Sir. The hon. External Affairs Minister has given a comprehensive reply. It is very clear that the UN Security Council, in its present form, is not representative in character. That is why, since 1994, India, along with other countries, has brought this issue to the fore for the expansion of the UN Security Council and staking its claim. Sir, given the developments which the hon. Minister has explained in his reply, especially the London meeting between the G-4 and the AU countries, followed by the reversal of the AU position, my specific question would be, given the regional divisions among the member countries of the UN, whether in Africa, in Latin America and in Asia, over the candidature of one or the other, is India engaging its traditional friends in the Non-Aligned Movement, especially in Africa, in Latin America and in Asia, to ensure that India's candidature has substantial support, especially when the final decision is taken up for the expansion?

Secondly, equally important, Sir, is, the Minister had replied about the Veto issue. Is Veto the contentious issue within the AU, because, in the AU Conference in Ethiopia, this issue was raised? And, if my understanding is correct, the G-4 is trying to persuade the AU not to press for the Veto membership now on the Resolution. But, if the Veto is to be given up for the present, will it be suspended for 10 years or 15 years? And, will the P-5 accept the position, in principle, that the Veto to be given, but not to be made effective now?

Shri K. Natwar Singh : Sir, in the meeting that took place in Addis Ababa, the Africans demanded that if there is to be any reform or expansion in the

Security Council, then, the African representatives, in the expanded Security Council, must have the Veto. On this, the Conference broke up. Now, what has happened is, the AU has appointed a group of 10 countries, two from each area, north, south, east, west and central Africa, at the state level, to discuss this issue and get back to the G-4 and other countries which have put in their Resolutions before the Security Council so that an agreement can be reached. The fact of the matter is that the position taken up by our African brothers in Addis Ababa, in our judgement, with great respect, is erroneous, because, as the Secretary General has said, "New permanent members, asking for a Veto, just forget it. It is a non-starter". We are in touch with all of them. We have sent special representatives all over the world. We have got re-assurance. Everybody agrees that there should be an expansion. It is all about how this has to be achieved. And, this achievement is what we are trying to get as many people, as many countries, as possible for agreeing to an expansion so that we can have 128 votes.

(Note: text in italics is translation from Hindi text)



665. Media briefing by Official Spokesperson on the G-4 meeting on the sidelines of the UN General Assembly Session.

New York, September 15, 2005.

The G-4 meeting took place at the Permanent Mission of India. It was attended by the Foreign Ministers of India, Japan and Brazil. Germany was represented by their Ambassador and Permanent Representative because the Foreign Minister of Germany was expected to be there but he was still involved in meeting of the EU-3 with Iran. The meeting took almost an hour after which Foreign Minister of India, Shri Natwar Singh also spoke to the press and many of you were there. So, you would have got the copy. The essence of the points that he made on behalf of the Group was that although technically the G-4 Framework Resolution would have lapsed now at the end of the 59th UNGA, but G-4 was very much alive, very much committed to its unity and very much open to new ideas and would

reintroduce resolution with suitable changes if required at the appropriate time. This was the essence of his remarks.

Essentially, these were the points that the G-4 is very much alive, they will continue to work in New York and other places to gather support, they will keep the support of the 32 cosponsors and would try to increase them, and they would be open to fresh ideas and see if any changes were needed in their resolution.



666. Address by Prime Minister Dr. Manmohan Singh at the 60th session of the UN General Assembly.

New York, September 15, 2005.

Please See Document No. 717.



667. Media briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meeting with the Secretary General of the United Nations.

New York, September 18, 2005.

External Affairs Minister Shri Natwar Singh had a meeting with the UN Secretary General Mr. Kofi Annan today.

They discussed major International issues including Afghanistan and Iraq.

UN Secretary General expressed satisfaction with the elections held in Afghanistan.

They also discussed the UN Summit Document. The UN Secretary General reiterated the need to implement reforms of the UN, including Security Council Reform by December. In this context External Affairs

Minister briefed him on the meeting of the G-4 Foreign Ministers¹ and the decision of the G-4 to remain united and keep the issue of Security Council Reform very much on the agenda. He also briefed him on the meeting of the Team-9 African Foreign Ministers.



668. Statement by External Affairs Minister K. Natwar Singh at the 60th session of the UN General Assembly.

New York, September 19, 2005.

Please See Document No. 718.



669. Media briefing by Foreign Secretary Shyam Saran on the events at the United Nations.

New York, September 26, 2005.

Please See Document No. 376.



1. The G-4 meeting which took place on September 15 in New York. After the meeting the External Affairs Minister said: "The G-4 exists. The G-4 will continue to work for the United Nations reform." He said their proposal could be reintroduced at the 60th session of the General Assembly with some changes. A Japanese official said there would be a "thorough" review of the plan to make it more appealing.

670. Press release of the Ministry of External Affairs on 5th Extraordinary Summit of the African Union (AU) held in Addis Ababa.

New Delhi, November 2, 2005.

Government of India have noted that the 5th Extraordinary Summit of the African Union (AU) held in Addis Ababa on 31 October, 2005 has mandated the AU Follow-up Mechanism to submit at an appropriate time an AU Resolution on the reform of the UN Security Council at the UN General Assembly for adoption and to continue to seek support for the African Common Position from all other regions of the world.

India has traditionally friendly relations and growing cooperation with African countries, and has been consistently supportive of their aspirations to get their rightful place in the UN Security Council. We respect the decision reached with consensus at the AU Summit and will continue our active engagement with African countries on various issues related to the reform of the United Nations, central to which is the reform of the UN Security Council. While it is for AU countries to determine their further steps on these issues, they can be assured of India's positive and supportive approach in this process.



671. Statement by Ambassador Nirupam Sen Permanent Representative at the UN on Agenda Item 9: Report of the Security Council 117: "Question of Equitable Representation on and Increase in the membership of the Security Council at the plenary of the 60th Session of the UN General Assembly.

New York, November 11, 2005.

Please See Document No. 749.



INDIA'S FOREIGN RELATIONS - 2005

Section - XII India at the United Nations

672. Statement by Ambassador Nirupam Sen, Permanent Representative at the U.N. on strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including Special Economic Assistance at the 77th plenary meeting of the 59th session of the General Assembly.

New York, January 18, 2005.

Mr. President,

In the early hours of the morning of Sunday, 26 December 2004 disaster struck. A massive earthquake in the west coast of northern Sumatra triggered powerful tsunamis that in a matter of hours wreaked untold damage to people living in the coastal areas and islands of India, as also Sri Lanka, Maldives, Thailand, Indonesia, Malaysia, Myanmar, Seychelles and Somalia and some other countries. We reiterate our condolences to all the affected countries. The death toll in India itself has been estimated at 10,700 with over 5,600 others missing. At a Special Meeting of leaders convened by ASEAN in the aftermath of the natural disaster, Mr. K. Natwar Singh, External Affairs Minister of India said, and I quote, "Existing vocabularies are inadequate to describe the intensity and magnitude of the horrendous catastrophe that hit a dozen countries of the Indian Ocean. The light went out of so many homes in so many countries in so short a span of time - only in a few minutes".

India did not avail of external assistance in dealing with the crisis. It, however, deeply appreciated the offers of help that poured in from several countries, the United Nations and non-governmental organisations. We would like to add our tribute to the tributes paid to the United Nations and to the personal commitment and dedication of the Secretary General. These spontaneous offers of support and solidarity at a time of crisis were critical in assuring the people of India that they were not alone in dealing with the enormity of the loss they had suffered. In a sense, the foundations of the UN have been strengthened not just by what it did in coordinating relief efforts but above all, by the colossal international solidarity shown by ordinary people throughout the world, by their contributions, and reflected in the actions of their governments. India's experience of handling natural disasters has enabled it to develop well-defined mechanisms for disaster management

at all levels. The lessons we learnt from the Orissa cyclone of 2000, the Gujarat earthquake of 2001 and other disasters have helped effect a paradigm shift in our approach to disaster management. This has proceeded from the conviction that development cannot be sustainable unless disaster mitigation is built into the development process at all levels. As a result, we were able to respond to the disaster promptly through a massive effort launched by a well-oiled machinery, experienced and trained personnel and with the resources required to successfully deal with the unexpected disaster within our existing capacity. It also became clear to us that while our situation was serious, there were other affected countries where the need for immediate relief through the international community was even greater. Indian Air Force planes and Indian Naval ships have formed an almost continuous "bridge" of relief assistance to Sri Lanka and the Maldives in solidarity and friendship. Many hundred sorties were flown to deliver relief supplies and for search and rescue. The planes and ships also brought field hospitals, doctors and paramedical staff. Naval ships have completed surveys of Galle and Colombo harbours and are helping to restore telecommunications and communications in Trincomalee. Indian Naval ships have similarly delivered relief supplies and set up field hospitals in Aceh in Indonesia. In India, the worst impact of the Tsunami was on the Andaman and Nicobar Islands. With 1,300 island territories (with their fragile ecosystems) India has a special empathy with the needs, situation and vulnerabilities of Small Island Developing States (SIDS). At the recently concluded International Meeting of Small Island Developing States in Mauritius, India, therefore, outlined and discussed bilaterally with many of the States an expanded programme of cooperation to address these vulnerabilities. The Mauritius Declaration and the Strategy Document emphasised the need to do this and in this context, the need to set up early warning systems. As early as in 1994 itself, the Barbados Programme of Action had noted the importance of early warning systems and, therefore, of technology (telecommunication links and satellite facilities). In India, we have seen that cyclones used to wreak havoc in the coastal regions of Andhra Pradesh. However, now early warning systems using remote sensing and satellite technology have stopped such happenings. The Government has announced an allocation of several billion rupees for putting in place Tsunami early warning systems. With our capacities in the field of sensors and satellites, we are prepared to cooperate with the international community and particularly with the Indian Ocean and Southeast Asian region for

establishing such a system. India was part of the Tsunami Core Group, initially consisting of the United States, Japan, Australia and India, established to facilitate a coordinated effort to deal with the disaster. India was invited because it had the military assets, capabilities and the resources to concretely help out with the relief efforts. In the context of the Core Group's operations in Banda Aceh, Indonesia, the Secretary General had the following to say yesterday, "I must say that the core group which the U.S. put together, made up of the U.S., Australia, India, Japan, Canada and Singapore, had made a real difference. Without their heavy lifting and clearing up for us to move in, it would have been a logistical nightmare. The roads were destroyed, airports were not easily usable, but they have been extremely helpful in doing that, and making sure with helicopters we could reach those who were difficult to reach. So the Government had allowed us to go in". In the immediate aftermath of the disaster, the effort was on search, evacuation and relief. This has now shifted to the establishment of communications networks, prevention of outbreaks of epidemics and relief and rescue operations in the far-flung Nicobar Group of islands of India. Supplies to inaccessible areas have been air dropped. For the Andaman and Nicobar Group of Islands, an Integrated Relief Command has been constituted for effective action. There is a Calamity Relief Fund for immediate expenditure. There is an existing mechanism of 8 battalions of paramilitary forces equipped as Specialist Search and Rescue Teams and this has been extremely useful in dealing with the aftermath of the Tsunami. Within the first week of the disaster itself, the Government of India had incurred expenditure of US \$ 250 million on the relief and rehabilitation effort within India and a substantial amount in neighbouring countries. It has also given due importance to alleviating the psychological impact of the disaster through trauma counselling, early reopening of schools and access to TV sets. Fortunately, resource mobilisation in India itself has been successful with contributions from the Indian public, from ordinary people amounting to at least US \$ 120 million, of which US \$ 100 million had been received in the Prime Minister's National Relief Fund alone by 10 January.

The focus is now on the phase of reconstruction and rehabilitation. It is axiomatic that those who suffered most were the poor, particularly those whose dependence on the sea made the crisis so much harder to bear. The Government of India, in cooperation with the United Nations and the international community, is committed to rehabilitating those affected by

the crisis at the earliest possible. In the moving phrase of John Ruskin "This green tide that eddies by our doorstep is full of floating corpses". The response is one of sustained political will and international solidarity to carry out reconstruction to restore the livelihoods of the living and protect them to the extent possible from future disasters. In this effort, the role of the United Nations (agencies like UNDP) and multilateral institutions (like the World Bank) in implementing quick, creative and concrete programmes is critical. As the Sanskrit saying, many thousand years ago in India, has it *Vasudhaiva Kutambhakam* ("the World is one family").

Thank you, Mr. President.



673. Statement by A.Gopinathan, Deputy Permanent Representative at the U.N. on the occasion of the handing over ceremony of the chairmanship of G-77.

New York, January 25, 2005.

Mr. Chairman,

We express our appreciation to the State of Qatar for providing effective leadership to the Group of 77 in the past year when the developing countries had to deal with many important questions. The Minister of States for Foreign Affairs of Qatar, H.E.Mr.Ahmad bin Abdullah Al-Mohmoud gave a detailed account of the Group's activities and achievements this morning prior to his handing over the Chairmanship to Your Excellency.

2. We also convey our appreciation to Ambassador H.E. Mr.Nassir Abdulaziz Al-Nasser and his team for their patience and dedication during the 59th session of General Assembly, ECOSOC sessions and other important meetings including the International Meeting to review the Programme of Action for the sustainable development of Small Island Developing States held recently in Mauritius.

3. We congratulate you, sir, the Minister for Foreign Affairs and Foreign Trade of Jamaica, Hon'ble Mr. Keith Desmond Knight on taking over the Chairmanship of the Group of 77 and for outlining the priorities Jamaica

would wish the Group to pursue during the coming year. We are confident that Jamaica will provide effective and purposeful leadership to the Group this year in collectively meeting the several challenges that confront us. We have several important tasks before us for promoting further the collective interests of developing countries including in the context of the High level Plenary Meeting of the General Assembly to be held in September 2005 at the commencement of the 60th session for review of this implementation of the Millennium Declaration and efforts for the achievements of the Millennium Development Goals. We assure Ambassador Stafford O. Neil and his team of our support and cooperation and wish them every success in leading the Group of 77 this year.

Thank you, Mr. Chairman.



674. Statement by Ambassador Nirupam Sen, Permanent Representative at the U.N. on the report of the High Level Panel on Threats, Challenges and Change at the informal meeting of the plenary of the 59th Session of UN General Assembly.

New York, January 27, 2005.

Mr. President,

We join other delegations in expressing our appreciation to you for your initiative in convening this informal meeting of the General Assembly for an exchange of views on the report of the High Level Panel set up by the UN Secretary-General on Threats, Challenges and Change. We broadly associate ourselves with the statements made by the Chairman of NAM and the Chairman of G-77. We consider the Panel's report to be an important input in our journey towards the Major Event for review of the implementation of the Millennium Declaration and commemoration of the 60th anniversary of the founding of the United Nations, in September 2005. We believe that the Report of the Panel and the Millennium Project report by Prof. Jeffrey Sachs will assist us in making effective and meaningful decisions. We await the report of the Secretary-General in March, 2005 on the comprehensive

review of the implementation of the Millennium Declaration that would provide Member States with his views prior to the in-depth inter-governmental scrutiny and consideration of the recommendations of the Panel.

There is an expectation that the UN would safeguard the interests of the developing countries which constitute the vast majority of its membership. The insecurities of this vast majority relate to the problems of socio-economic development, particularly the eradication of poverty and the development of social infrastructure, especially education and public health.

Collective security that is truly for all cannot be so unless it addresses the insecurity of this vast majority. The Tsunami tragedy has once again brought home to all the value of collective action and international solidarity. Even in the case of threats in their more limited meaning, the High Level Panel Report has to conclude that these cannot be met either in isolation or by States alone but require global cooperative action.

We firmly believe that development is required not for the sake of security but for itself. In human history threats have come not from the poor, but from the rich, from their fear of the poor, their repressive anticipatory action against the poor. Whenever the poor have acted decisively, whatever the short-term impact, in the long-term international stability has been strengthened. If the poor were indeed the source of long-term instability, every religion would not especially bless them. Development is required so that people do not lead diminished lives in poverty, hunger, disease and illiteracy. The Millennium Project Report provides a valuable strategy for achieving the Millennium Development Goals but does not fully meet this concern because it sees development purely from an anti-poverty, country-related perspective for achieving MDGs. Developed countries must achieve the target of 0.7 per cent of GNP for ODA. The developmental agenda of the Doha Round of Multilateral Trade Negotiations has to be realised (at present a complex undertaking in many sectors). However, the fundamental issue is the recovery by the United Nations of its role in setting the international economic agenda which it could till the mid-Seventies. The long retreat since then with the exception of the possible rearguard action of Monterrey, has to be halted and reversed. We have noticed, particularly in recent years, that in practice, the developmental activities of the UN have

diminished while the regulatory and punitive aspects have acquired prominence. The developing countries are the target of many of these actions which has led to a sense of alienation among the majority of the UN Member States. There is a need to bring a greater balance in the UN's priorities in order to reflect the concerns of the majority of its membership. This is also seen in the distortions in the financing of the UN. The regular budget is shrinking while donors are increasingly funding specific activities through ad-hoc voluntary contributions. This has also resulted in distortion of priorities and a donor-driven, rather than a UN-driven, agenda.

A fundamental issue that the Panel has not adequately examined is that equitable access to natural resources is seriously hampered by the unsustainable patterns of production and consumption in the developed world. Threats to the global environment primarily emanate from such unsustainable patterns of production and consumption and these need to be clearly spelt out and addressed, with the recognition that the developed countries must shoulder the main responsibility for preventing and reversing environmental degradation. The report has rightly identified International Terrorism as one of the most difficult and significant threats facing the International community. The Panel has emphasised the need for better counter-terrorism instruments. In this framework, it has underlined the political imperative of achieving a Comprehensive Convention on Terrorism (CCIT). As the Member State that had tabled the draft Comprehensive Convention of International Terrorism in 1996, we hope that the Member-States would demonstrate the necessary political will and flexibility for an early conclusion of the CCIT. The Panel has also drawn attention to the dangers inherent in the proliferation of Weapons of Mass Destruction and the possible links with terrorism, but we believe missed out a clear reaffirmation of the international community's accepted goal of general and complete disarmament, in particular nuclear disarmament in a time-bound manner under effective international control. The responsibility of the Nuclear Weapon States in bringing about the complete elimination of nuclear weapons through negotiations has also not been referred to. In the field of proliferation, while the focus of the Panel is on recipients, there is an absence of adequate attention on the sources or the supply side from which such proliferation has emanated.

The Report pays inadequate attention to the role of the General Assembly. In our assessment, it is the General Assembly, the only universal

body of the United Nations which must be revitalized to enable it to guide and direct the other organs of the system. In doing so, the General Assembly would be fully exercising its functions envisaged under Article 10 of the Charter. The coincidence of long-term development and long-term security needs relating to post-conflict peace-building, including in its institutional form, are best addressed by the General Assembly. In general, the Security Council is neither mandated nor equipped to handle economic and social issues. This revitalisation of the General Assembly is a matter of both theory and praxis: by actually electing permanent members of the Security Council, it would make clear their accountability.

The UN Security Council reflects essentially the world of 1945. The world of Yalta and Potsdam has crumbled outside but is artificially being kept alive through the UN. Those who were vanquished, colonized, marginalized in 1945 continue to be excluded though they have come into their own with a demonstrable capacity of contributing to peace and security. Expansion of the permanent together with the non-permanent membership is not a matter of arithmetical sophistry but of two clear issues for the majority of the vulnerable and developing world. Firstly, the Security Council's legislative decisions and those on the use of force under Chapter-VII appear as an arbitrary and alien power: this is an alienation not of the individual or class but of countries. Secondly, there is no radical advance of the core political and economic interests of the developing countries. These two concerns cannot be met either through an expansion of non-permanent membership or making even this third class through a second tier of rotating members. Non-permanent membership for more than half a century has not been able to address either these issues or the vulnerability of the vast majority, precisely because it lacks the continuity and institutional memory of permanent membership. The inclusion of major developing countries from Asia, Africa and Latin America and new players from the developed world who are capable of global responsibility is necessary to transform the balance of forces in favour of the political and economic concerns of the vast majority. On its part, India has expressed its readiness to undertake its responsibility as a global player in an expanded Security Council. We will work together with Brazil, Germany, Japan and Africa in our quest to make the Security Council more representative, democratic, legitimate and effective. Effectiveness is also not an arithmetical concept but one of responsible and rational decisions that would have wide acceptability. Developing countries including small and vulnerable countries have many creative ideas, as we

saw in Mauritius, on transparency and working methods. These can become a material force when there are permanent members to carry them out. There is an apprehension among many developing countries that the interpretation of the Report of the Panel on Article 51 of the Charter on the use of force could encourage selective and politically motivated actions. Member States would need to carefully examine this recommendation to ensure that it is not utilized for actions that could go beyond the scope of its application under the Charter.

We believe that there is also a need to look at other approaches that are not solely limited to the paradigm of conflict or security. The UN and the international community should strengthen and promote democratic regimes. We take positive note of the role envisaged for the UN in the Panel's report in developing frameworks to protect democratically elected Governments from unconstitutional overthrow. A mature democracy can effectively address and efficiently resolve both its internal and external issues.

Mr. President,

We need not just development for security but development in itself; not just non-proliferation but disarmament; not just the security of the few but the security of all; not just the vigour of one body but the reform and revitalization of all bodies; not just the use of force but its minimization through rational decisions and their wider acceptability; not consensus at the lowest level of its least meaningful common denominator but the broadest possible agreement on key issues at their most meaningful, enabling translation into effective practice.

Mr. President,

My delegation reiterates its readiness to work with other delegations in ensuring effective and meaningful decisions on the Report of the Panel. We assure you of our cooperation in this endeavour.

Thank you, Mr. President.



675. Statement by Ambassador Nirupam Sen, Permanent Representative at the U.N. at Special Committee on Peace-Keeping Operations.

New York, February 1, 2005.

Mr. Chairman,

We congratulate you and other members of the Bureau on your re-election. We thank Under Secretary General Guehenno for the traditional statement yesterday morning that maps out the priorities in peace-keeping for the coming year. We assure him of our full cooperation and support in the performance of his tasks.

We associate ourselves with the statement delivered yesterday by the distinguished Permanent Representative of Morocco on behalf of the Non-aligned Movement.

Mr. Chairman,

The report of the Secretary-General (Doc A/59/608) addresses some important issues that have arisen consequent to the current surge in peace-keeping. First and foremost, the generation of resources. Key gaps continue to persist in the generation of enabling capacities that are so critical to the success of a peace-keeping operation. That there are only some member-states that possess these capabilities is axiomatic. It is ironic, however, that since the mid-1990s it is these states that have substantially reduced their contribution of troops and materiel to UN operations, particularly in Africa. We agree with the Secretary-General that for peace-keeping to be successful, it must be an expression of truly international commitment to peace and security. For too long, the burden of peace-keeping has been borne by the developing countries and we would urge the developed countries to share equally this load. While we, therefore, welcome the initiatives being advanced by the EU for battle groups and attempts to "*fill the gap*", earlier in UNMEE and now in UNMISUD, these must not and cannot be a substitute for the enhanced participation of the developed world in UN Peace-keeping operations.

The question of *rapid deployment* continues to fester. We share the DPKO's concern in this regard and are seized equally of the need to deploy

rapidly and effectively. It must, however, be appreciated that democratically elected governments answerable to their electorates cannot take decisions in an arbitrary way on participation, without going through established procedures. Despite this, and in response to the UN's call at a time of particular need, we deployed the first Indian infantry battalion as part of the brigade group that has gone into the Kivus in the DRC within the 60-90 day period, as envisaged in the Brahimi panel's report. The Secretariat has now advanced the proposals of a strategic reserve and a standing police capacity to further bolster its capacities to deploy rapidly and effectively. We have taken note, and remain willing to engage in constructive discussions with the Secretariat and other member states in order to carry the debate forward.

Mr. Chairman,

We note the emphasis placed by the Secretary-General for further integration across the UN system and beyond, while implementing mandates of complex peacekeeping operations. Regrettably, we have not seen much evidence of such integration, either in the field or at Headquarters. There is also a tendency to duplicate when a better and more optimal utilisation of existing capacities would be more appropriate.

The much-touted Integrated Mission Task Force (IMTF), Brahimi's recipe for joint planning for peace-keeping operations, remains a 'work in progress'. Yet it is proposed to be supplemented by the Integrated Mission Planning Process (IMPP). This to us appears contradictory. If the Task Force is a 'work in progress', what then is the logic to design another mechanism whose mission is purportedly the same? More than creation of new mechanisms or infusion of extra personnel, there is a need to identify and address systemic problems.

Similarly, we feel that in our eagerness to embrace integration, we must avoid the temptation of adopting terminology that does not command inter-governmental agreement. The Secretary-General has stated in Para 6 of his report that the majority of the DPKO-led operations today have mandates that extend beyond the security-related tasks traditionally linked to the term peace-keeping, and hence they might be perhaps more accurately termed as 'peace operations'. The Brahimi report defines 'peace operations' as entailing three principal activities; conflict prevention and peace-making; peace-keeping; and post-conflict peace-building. These are three distinct elements and should not be combined. We have always believed

that no matter how complex a peacekeeping operation, it must be distinct from post-conflict peace-building. Blurring of mandates often results in unrealistic expectations and unachievable mandates. While we can, therefore, support coordination in complex peace-keeping operations, we cannot support integration of various diverse activities being mandated by the Security Council for such operations. Moreover, the NAM has consistently held that the General Assembly should have the key role in defining elements of post-conflict peace-building. Complex peace-keeping operations or multi-dimensional peace-keeping operations are more accepted terms and may be employed, until there is an inter-governmental understanding and agreement on all the concepts involved.

As regards the integration of UN peacekeeping operations with the capacities of *regional and sub-regional arrangements*, born more out of the UN's own inability to muster up enough enthusiasm from member-states for operations far removed, we would continue to reiterate that this integration should not absolve the UN of its primary responsibility, indeed its commitment, that it took upon itself in 1945, to be the primary guarantor of international peace and security. While coalitions of the willing authorised by the Security Council may be considered expedient for enforcement actions, it is only through the UN that the broadest range of capabilities available to the international community can be brought to bear in a complex peacekeeping operations. The challenge is how to involve regional organisations without regionalising peace-keeping.

On another aspect of integration regionalisation i.e. *co-operation between peacekeeping operations*, contained in Paras 65-68 of the Secretary-General's Report, we would tend to be skeptical. We can agree that each operation is, to a large extent, *sui generis*, facing unique challenges, with different mandates and resources. We can even agree on the need to share information and analysis between regional missions. Where we disagree is on the sharing of assets and personnel of one mission in the region with those of another. We regard this as contrary to the practices and provisions allowed under the Charter.

We welcome efforts to *enhance African peace-keeping capacity* and take note of the recommendations contained in the Secretary – General's Report on "Enhancement of African Peace-keeping Capacity" (Doc A/59/591). We share close and historical ties with our African brothers and sisters

and are ourselves involved in bilateral capacity building efforts in some of these countries. As such, we welcome the emphasis on training assistance but would like to make the additional point that this cannot absolve either the UN or developed countries from their responsibilities.

On the sensitive and delicate issue of *conduct and discipline*, we share the Secretary-General's sense of outrage and concern on acts of omission and commission that are alleged to have been committed by UN personnel in the DRC. And we say this not because our troops have been singled out as models of exemplary behaviour, but because we are convinced that sexual exploitation and abuse are totally unacceptable forms of behaviour. We would reiterate, in this context, our conviction that troops from democratic, multi-cultural and pluralistic societies with respect for tolerance and diversity are less likely to be prone to such misconduct. We have taken note of the recommendations contained in the Secretary-General's report on the investigations by the Office of Internal Oversight Services into allegations of Sexual Exploitation and Abuse in MONUC (Doc A/59/661) and are willing to enter into a serious discourse on the issue, with a view to recommending concrete measures aimed at stamping out the problem.

The *safety and security* of UN Peacekeepers is an area of critical concern for troop contributors who continue to place the lives of their soldiers in harm's way, in pursuance of the UN ideal. Unfortunately, we do not seem to have made much headway from where we left off last year, in the field or at Headquarters. For one, there does not seem to be any policy on the Joint Mission Analysis Cells (JMACs), not one at least that has been shared with TCCs. The cells appear to be somewhat hamstrung in their functioning, if not moribund. Security arrangements for unarmed Military Observers (MILOBs) and CIVPOL also need to be clarified. At Headquarters, it has been proposed to locate an outpost unit of the Department of Safety and Security (DSS) in the DPKO consisting of seven Support Account posts dedicated to support for Peacekeeping Operations. However, several critical issues remain outstanding. The relationship of the unit with the Department, the accountability framework between DSS and DPKO, approach to be adopted by DPKO in the context of the transition to the new security management system are some of the issues to which we hope to receive feedback from the Secretariat, in the coming weeks. In this context, we take note of the resolution adopted by the General Assembly in December, 2004

on the report of the Secretary-General on the new security management system.

India has been a leading proponent in the critical area of *cooperation among the Security Council*, the Secretariat and the troop contributing countries. Regrettably, however, TCC meetings under the 1353 mechanism continue to be held on the eve of renewal of mission mandates, or even worse when a draft resolution is being negotiated in the Council. The reports of the Secretary-General continue to be distributed to TCCs at the eleventh hour, leaving little scope for serious or meaningful discussions in these meetings. The interface of TCCs with the Council is minimal, and with the Secretariat, far from optimal. TCCs need to be involved early and fully in all aspects and stages of Mission planning. Their views, if found reasonable, must find their way into Mission mandates. The Council and the Secretariat can only benefit, for the TCCs are the ones on the ground, best placed to render advice.

Mr Chairman,

India has a proud history of UN peacekeeping dating back to its inception in the 1950s. We have contributed a total of over 70,000 troops, participated in 38 missions and, for most of this time, have headed the list of troop contributors. We continue today to build on that tradition. In response to the Secretary-General's call for increased representation of female personnel in field missions, we have sent lady Military Observers to UNMEE, MONUC and ONUB. We are also considering the despatch of a platoon of female police officers to UNMIK in the upcoming rotation of our formed units. The role that women professionals in uniformed services can play in reaching out to the most vulnerable sections, i.e. women and children, in any post-conflict society is indeed unique.

Mr Chairman,

We have highlighted only some of the issues that we see as key in the upcoming discussions of this important Committee. We look forward to constructive and meaningful outcomes as a fruition of our joint efforts in what is arguably the most tangible activity of the United Nations.

Thank you, Mr. Chairman.



676. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on agenda Item 3 (a) review of further implementation of the World Summit for Social Development and the outcome of the Twenty-fourth Special Session of the General Assembly in the 43rd session of Commission for Social Development.

New York, February 11, 2005.

Mr. Chairman,

On behalf of the delegation of India, I wish to convey to you our warmest felicitations on your election. For me it is a special pleasure to be at this meeting presided over by you since our countries are working together for socio-economic progress through the Non Aligned Movement, the Group of 77 and the IBSA (India, Brazil, South Africa). We are confident of the success that your able stewardship will bring to this session of the Commission. I would like to assure you of my delegation's full cooperation in the deliberations and the work of this Commission. Our congratulations also to other members of the Bureau.

We thank the Secretary-General for his comprehensive and analytical report and the Deputy-Secretary-General for her statement to the Commission.

We associate ourselves with the statement made by the distinguished Permanent Representative of Jamaica in his capacity as Chairman of the Group of 77.

Mr. Chairman,

Ten years after the historic gathering of world leaders in Copenhagen in 1995, the international community once again stands at another crossroads of history. The success of the World Summit for Social Development was immeasurable. It placed social development issues squarely on the forefront of the agenda, on which successive Summits and Conferences have built upon. At the Millennium Summit, leaders undertook a time-bound framework for meeting the commitments on social development first undertaken at Copenhagen. Most recently, the report of the World Commission on the Social Dimension of Globalisation and the report of the

Millennium Project have continued the broader articulation of these very issues that were first put on the agenda at Copenhagen.

While the success of the World Summit for Social Development is indisputable, it is in the follow-up that wholesome success is yet to be achieved. It is towards practical modes of realisation of this objective that this session of the Commission must direct its attention.

The commitments and goals are well-known and have been repeated often enough. Yet, the indicators presented in the Secretary-General's report present a stark and grim reminder that the goals set by the international community in Copenhagen, and reiterated at repeated intervals in succeeding major UN conferences and summits, are yet to be met. The report highlights the very uneven progress registered in the achievement of the main goals of the Summit – particularly in the reduction of poverty and elimination of extreme poverty, creation of full employment and social integration. One of the reasons for the gap between intention and action has been the inadequate capacity of national governments to adopt and implement appropriate social policies. The only means to address this problem is through capacity-building in the developing countries. For this, enhanced international cooperation is imperative. In India, our experience shows the success of the mid-day meal and the food for work programmes. The Government of India has substantially increased agricultural investment, including investment in rural infrastructure, health and education. Its Common Minimum Programme enshrines its commitment to an Employment Guarantee. In the context of some unutilized industrial capacity and substantial foodgrain reserves, this would be non-inflationary. For the same reason, the Indian Planning Commission's foreign exchange for infrastructure scheme which in some variants implies a monetized deficit would be equally non-inflationary.

At this 10th anniversary commemorating the adoption of the Copenhagen Declaration and Programme of Action, the international community must deliberate, develop and adopt a set of practical measures which can set the path for real achievements in social development. While doing so, it would be useful to bear in mind some of the issues that are pertinent to these deliberations.

The 24th special session of the General Assembly held in June, 2000 had called attention to the effects of globalisation, and their effect on

developing countries. Five years later, this debate is more relevant than ever. In these deliberations, the report of World Commission on the Social Dimension of Globalisation is of particular significance. The report entitled 'A fair Globalisation: creating opportunities for all' contains several recommendations on making the process of globalisation a fair and inclusive one, based on universal shared values, and respect for human rights and individual dignity. The principal recommendations of the report relate to a focus on people, democratic and effective States, sustainable development, productive and equitable markets, fair rules, solidarity, greater accountability, stronger partnerships and an effective UN-centred multilateral system. These recommendations are worthy of our serious consideration at this session of the Commission and subsequently in the context of the '2005 Major Event' in the General Assembly for the comprehensive review of the implementation of the Millennium Declaration. Parts of the Report of the World Commission on the Social Dimension of Globalization are radical, far-reaching and even dramatic (for instance, the sharp increase in the incomes of the top one per cent even in highly developed countries and income inequalities at the end of the 20th century once again matching those at the beginning of the 20th century). The Report correctly calls for supporting "independent labour movements and organization of the poor" to create and strengthen "the countervailing power" necessary for their welfare. Equally correct is the emphasis on the social responsibility of the corporate sector and a need for "a social audit" of companies. In the moving Biblical phrase, the poor have not only been shut out from the Pasture; they have been shut out from the Presence. Hence the need for a fundamental reform of international economic policies and of the international economic institutions that cling to them, recommended by the Report.

India's own experience with globalisation has reaffirmed the importance of our strong democratic institutions and of appropriate policies, including a focus on the development of human resources.

At the same time, effective national action also requires an enabling international environment in which the developing countries have to formulate policies designed to promote economic growth and social justice. The Millennium Project report has provided some insightful recommendations for the international community to consider – for donors to subject themselves to the same standard of transparency and coherence as they expect of developing countries. Some of developing countries have made strenuous

efforts for mobilising domestic resources. However, as also underscored in the report, there remains a huge gap in the resources available and the requirements of the developing countries for achieving the goals of the Millennium Summit and other commitments undertaken by them. In addition to meeting the financial gap required for achieving these commitments, there is also need to broaden the resource-base to assist the developing countries in their efforts to achieve their own development priorities.

The Secretary-General's report makes several recommendations on "the way forward". We concur with the Secretary-General that the way forward is through implementing people-centred development to which we have committed ourselves at the World Summit. For this, some key ingredients have been and continue to be the need for cohesive integration of economic and social policies, the need to manage the effects of globalisation; and an enabling environment for social and economic development.

A central issue that has not received adequate attention and has been highlighted in the Secretary-General's report is the need for an enabling international economic environment, which is critical to achieving the goals of social development. Greater voice and effective participation of developing countries in the decision-making and norm-setting processes in the international monetary, financial and trade institutions is a sine qua non. It would have a direct and beneficial impact on the ability of the developing countries to influence the multilateral trading and financial systems, which do not always take their interests into account.

We are in agreement with the view that to ensure policy autonomy for implementing social and economic objectives in the developing countries and gains in trade and foreign direct investment, the international economic and financial system has to undergo far-reaching reforms. It is our belief that this requires a reform of the UN itself since, in the words of the Report of the World Commission on the Social Dimension of Globalisation, "the UN multilateral system constitutes the core of global governance and is uniquely equipped to spearhead the process of reform".

Thank you, Mr. Chairman.



677. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on the report of the United Nations Millennium Project 2005. 'Investing in Development : A practical plan to achieve the millennium development goals' at the informal meeting of the plenary of the 59th session of UN General Assembly.

New York, February 10, 2005.

Mr. President,

Thank you for convening this informal meeting of the Plenary of the General Assembly today in order to continue the exchange of views on the findings and recommendations of the Millennium Project report. My delegation is happy to participate in this meeting and give our preliminary views on the report. We associate ourselves with the statement made by the distinguished Permanent Representative of Jamaica on behalf of the Group of 77.

We express our appreciation and gratitude to Prof. Jeffrey Sachs and his team for the report. The overview and the more detailed report contain an impressive wealth of detailed analysis, information and recommendations on the Millennium Development Goals. In particular, the report offers us detailed information on where most Member States stand vis-à-vis their efforts in achieving the MDGs and the prospects of their reaching the agreed targets by 2015. The report provides an assessment of the challenges confronting the developing countries in achieving the Millennium Development Goals and recommends practical measures. This would undoubtedly provide a good basis for further discussion on international development cooperation, albeit from an anti-poverty, country-based perspective for achieving the MDGs.

Although the mandate restricted the authors of the report to the achievement of the MDGs at the country-level, they have gone beyond such a restriction and tried to tackle problems of longer-term development and offer many valuable suggestions. In particular, the report has paid considerable attention to trade and technology issues. We are confident that these recommendations will be studied in greater detail by all of us in

the days to come. We would like to especially acknowledge the intellectual energy and the moral passion that Prof. Sachs has brought to bear on the Project which has played an important role in mobilising intellectual and emotional support. But this is only a very important first shot in a battle that awaits decision. This battle would neither be short nor easy.

The report is cautiously optimistic that MDGs are achievable within the agreed time-frame, though this would require a much more intense degree of cooperation at the international level, a flow of resources to the developing countries that is considerably more generous than it has been hitherto, and efforts need to be redoubled for achieving these objectives. We share the view that the slogan 'trade, not aid' is misguided. We are particularly pleased by the resounding call made by the report for a substantial mobilisation of resources for achieving the MDGs, particularly through meeting the ODA target of 0.7% of GNP. We perceive the intermediate steps as only those which lead to the realisation of the long-agreed target. The report emphasises the importance of national ownership with regard to determining the priorities and strategies in country programmes, and their being driven by local means and circumstances and by making decisions at the national level. We do see merit in country-based MDG Strategy with national ownership. However, such a strategy would be effective only if there is assured commitment to meeting the financing gap. The report calls upon OECD countries to undertake an evaluation of their policies, particularly with regard to development cooperation, in direct relationship to the MDGs.

The report recommends, quite rightly in our view, that the donor countries should subject themselves to at least the same standards of transparency and coherence as they expect from governments of the developing countries.

The report emphasises the overall role of the State in socio-economic development and the importance of public investment in this context. We agree with the authors that the role of the State should not be limited merely to providing a favourable macro-economic, legal and regulatory framework for business-growth and for attracting investments from abroad. There is also need for substantial investment in human, fiscal and social infrastructure and the promotion of science, technology and innovation.

Mr. President,

The imperative of liberalization and attracting foreign capital inevitably means low tax-GDP ratios and sharply reduced fiscal deficits, both of which inexorably mean a cut in government expenditure and health and education are the first sectors to be targetted. Direct tax cuts, accompanied by liberalization of consumer goods imports accentuates inequalities of income and consumption and may even stimulate deindustrialization. In any case, the deflationary impact on the economy reduces the demand for food and hence production of food crops and thereby encourages the shift to export cash crops at low prices. Statistics from sub-Saharan Africa amply demonstrate this inverse relationship between agricultural exports and domestic food production. This is the crucial underpinning of the high living standards of the developed world. The Millennium Project Report has done signal service in highlighting the problems of sub-Saharan Africa and the poverty trap (low tax returns, low saving rates and the like) but the systemic reason that we have referred to, which is behind these phenomena, needs to be addressed.

Debt constrained structural adjustment policies compounded the problem through decline in agricultural investment. The region got the worst of both worlds because of the agricultural policies of developed countries underpinned by enormous subsidies (Incidentally, given credit constraints so called non or minimal trade-distorting subsidies also increase output though their overall impact is less than that of tradedistorting subsidies). It logically follows that any achievement of MDGs in a sustained manner leading to real economic transformation is hardly possible without debt relief; a fundamental reform of international economic and monetary institutions (as recommended by the Report of the World Commission on the Social Dimension of Globalization); a successful realization of the development agenda of the Doha Round and the United Nations recovering the role it had in the mid-seventies of setting the international economic agenda. The Millennium Project Report is the second vital step after the first at Monterrey on the difficult but hopeful path that we have collectively taken. From the foregoing it is evident that the fulcrum of international economic endeavour is MDG 8 as also paragraphs 42, 44 and 62 of the Monterrey consensus.

Only the General body of the United Nations can go beyond

coherence: academic studies have shown that by themselves or through discussions there cannot be much coherence between the IMF, World Bank, WTO and ECOSOC; it has to be set and articulated externally by the UN.

The Report has innovative suggestions on 'quick win' actions and 'fast track' approaches. We need greater clarity on ways of kick-starting the implementation of these recommendations. It would be important from a developing country perspective to ensure transparency and to avoid double standards in 'fast-tracking' the achievement of MDGs. At the same time, we wish to underscore the importance we ourselves attach to schemes such as those for mid-day meal and food for work programme which have proved successful in our own experience. There is a commitment in the Common Minimum Programme of the Government of India to an employment guarantee scheme which in the context of some unutilized industrial capacity and large foodgrain stocks can be implemented without any financial burden or inflation. The Indian Planning Commission's foreign exchange for infrastructure scheme which in some variants implies a monetised deficit would be equally non-inflationary in that context.

The Report's recognition of the role of science and technology is especially welcome. Through a computer-based functional literacy programme, the growth of literacy underwent a quantum jump in several projects. Similarly, satellite remote sensing has greatly increased fisheries production and the discovery of water sources. India is committed to rapidly expanding its programme of South-South Cooperation. Another important area here would be pharmaceuticals.

While the Report's emphasis on support for liberalization of mode 4 of the General Agreement on Trade and Services - temporary movement of labour - is greatly welcomed, it needs to be recognized that it is inconsistent to ask for liberalization of goods and capital movements from developed countries to the developing world while restricting and regulating strictly the movement of labour in the opposite direction caused precisely by the deindustrializing and deflationary tendencies inherent in liberalization and globalization, as we have seen earlier. There are illegal migrant pressures which lead to the developed countries spending huge resources to keep them out besides tackling the political phenomenon of the rise of extreme right wing groups. Therefore, what requires reform at the roots are these economic policies and the international institutions that cling to them; the

UN has to set and control the agenda. It is, therefore, evident that a bargain is irrelevant: a sharp reduction of poverty and a substantial increase in development is required equally by the developed countries. We shall have the opportunity to reflect in detail on the recommendations contained in the main report, which we received earlier this week. We shall participate actively in the consideration of the recommendations.

Thank you, Mr. President.



678. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Accountability, in particular the relationship between the Security Council and the General Assembly, at the second meeting of the open-ended working group on the question of equitable representation and increase in the membership of the Security Council and other matters related to the Security Council.

New York, February 14, 2005.

Mr. Chairman,

We are pleased to see you chairing this meeting. Our congratulations also to Ambassador Paulette Bethel of the Bahamas on her election. We assure you both of our fullest support and cooperation in the performance of your tasks.

Mr. Chairman,

We have been informed that the thrust of this Working Group over the next few days will be the Cluster II issues pertaining to the working methods and decision-making processes of the Security Council. We commend you for this particularly timely initiative, given the feeling among many delegations that the High Level Panel has not paid sufficient attention and focus to what must be an integral part of any reform package of the Security Council that is sought to be brought in. The Open-Ended Working

Group has played an important role in bringing about some reform in the working methods of UN Security Council but much more remains to be done.

Mr. Chairman,

The Charter of the United Nations has delineated clear lines of responsibility between the General Assembly and the Security Council. Articles 11, 12, 15, 24 and 25 are particularly relevant. Article 24.1 states that member States "confer" on the Security Council primary responsibility for the maintenance of international peace and security, and that the Security Council "acts on their behalf", that is in respect of the wider membership represented in the General Assembly. Articles 15 and 24 (3) require Security Council to submit and the General Assembly to receive and consider annual and special reports. Additionally, various General Assembly resolutions have clarified this relationship, including resolution 377 (V) of 3 November 1950 (Uniting for Peace) and resolution 58/126 of 19 December 2003. In discharging its responsibility, it is, therefore, important that the Security Council responds to the mandate embodied in the Charter and to the comments and discussions during the discussions in the General Assembly and is procedurally transparent. The faithful observance of these norms alone can secure and reinforce a healthy constitutional relationship between the General Assembly and the Security Council.

Over the years, there has been an intense debate within the United Nations on this subject; we ourselves have had occasion to air our views; we shall, therefore, restrict ourselves to the main areas of concern.

- The annual report of the Security Council to the General Assembly should be more comprehensive, substantive analytical and forthright and not a mere compilation of documents, already circulated. In our understanding, we would expect an institution's annual report to include assessments of (i) how far its activity or decisions had been helpful; for instance was the political and security situation in a given country or region better or worse because the Council had acted there? and (ii) its own performance as an institution.
- A shift in Council meetings - towards fewer closed consultations of the whole and more open meetings, allowing the participation of

non-members in the debates, thereby enabling the views of the wider committee of nations to be heard and taken into account in the Council's consideration of vital issues of global import. We are of the opinion that virtually all Council meetings, with the exception of those involving negotiation of, texts or on issues which require confidentiality, could be kept open. It will be recalled that in December, 1994 the UN Security Council held a public debate on its working methods. Some improvement has taken place but in substantial measure the promise of the Presidential Statement following this debate remains unfulfilled. We are yet to see an open debate at a very early stage of considering an issue so that the wider membership can contribute to the final decision taken. Ultimately, it is the purpose that is important and which decides everything else in this area: is the purpose to get some legitimacy and silence criticism or is it to get an input from member States into decisionmaking so that crucial decisions are truly optimal.

- Unless an item is introduced in reaction to major events of the day, all open debates involving the participation of the general membership of the organisation, should be notified at the beginning of the month when the programme of work is presented. Surprise scheduling should be avoided wherever possible and, if absolutely unavoidable, measures to inform all members concerned by way of circular mailer by fax/e-mail or telephonic messaging with the relevant Missions would be desirable.
- All non-members of the Council desirous of participating under rule 37 of the Council, should be allowed the time they require to convey their views. If this is not possible due to the exigencies of the situation, and we believe this should be utilised exceptionally, a standard pre-announced time-limit should be imposed on all, members and non-members alike without any discrimination.
- The increasing resort to new and fanciful thematic issues as the crowning glory of non-Permanent member presidencies will need to be rationalised and restricted in the interest of time better spent on the consideration of pressing current issues on the maintenance of international peace and security. The need for the Council to spend wasteful time on thematic issues, better left to other UN bodies, is

also questionable. This transgression could even be condoned if the discussions added value. Unfortunately, they add nothing to either the norms set by international law or to its practice. I would like to refer here not to the Report of the High Level Panel but to the High Level Panel itself. One of the leading members, former Prime Minister of Russia Mr. Primakov, afterwards wrote a detailed article in which he specifically said that issues like women, children in conflict, protection of UN personnel and the like should never be discussed by the Security Council but left to the General Assembly.

- The idea of wrap-up sessions, conceived presumably to allow for stock-taking at the end of a month's work, should not be utilised to advance controversial issues that selectively propel the national agendas of members concerned.
- Briefing by Council Presidencies of non-members of the Council tend to be arbitrary and ad hoc in their regularity. Some Presidencies tend to attach due importance to this process while many have been indifferent to this requirement. It has been noticed that in several instances, despite scheduling of briefings to the general membership, these either do not take place or are perfunctorily carried out. In fact, briefings to the media are far more comprehensive and regular than those to non-members. Briefings by Council Presidencies need to be regular, thorough and qualitative if the Council is to fulfill its commitment towards ensuring adequate transparency in its functioning among member states of the Organisation.
- I shall not speak about UNSC's interaction with TCCs because we have a separate agenda item on this. I would like to say in conclusion that because the Rules of Procedure are provisional, any reform of working methods has a certain fragility. Those opposed to definitive Rules of Procedure claim that the UNSC can then be created. In the area of working methods, we have not seen much creativity and obviously much more creativity is required.

Today, Iraq is in the news in a hopeful and positive sense. Very recently, the International Peace Academy and the United Nations University have brought out a study called "The Iraq Crisis and the World Order: Structural and Normative Challenges". Cluster II issues have nothing to do

with this and yet there is almost a page on these issues with some very radical suggestions such as inviting non-members on to Committees. This shows the seriousness of the situation, the substantial inadequacies in working methods and the need to address these. In conclusion, I would only wish to say that ideas on reform of working methods can only become a material force when there is a critical mass behind these in the UNSC and of course in the OEWG.

I thank you, Mr. Chairman.



679. Statement by Ruchira Kamboj, Counsellor at the Permanent Mission of India at the UN on consultations with troop-contributing countries at the second meeting of the open-ended working group on the question of equitable representation on and increase in the membership of the Security Council and other matters related to the Security Council.

New York, February 15, 2005.

Mr Chairman,

As we resume the discussions in the afternoon, we sincerely hope that we will be able to avoid the kind of rhetoric that was found in the statements of some delegations this morning. To say, for instance, that some are vociferous in pursuing their national interests is unfortunate since it implies that those saying so are given by pure altruism.

Similarly, while we agree on the need to ensure the accountability of all members, we cannot agree with partial suggestions to achieve this. In our view, the only way of enforcing this would be to appoint new permanent members and through a review clause, institute a system of keeping the performance of all members under constant review.

We would also agree, Mr Chairman, with Italy that discussions on Cluster I and reform of working methods of the Council are of critical importance, especially in the context of reducing the sense of alienation, or

marginalization as the Italian Ambassador put it, of the vast majority of the general membership. We would only wish to add that it is only through expansion of the permanent membership and inclusion of developing countries as permanent members in an expanded Council can we have a critical mass in the Council in favour of reformed working methods and accountability.

Mr Chairman,

The relationship between the Security Council, the Secretariat and Troop Contributing Countries (TCCs) is critical to the success of a peacekeeping operation. As a leading TCC, we have been in the forefront of this debate, and have had occasion to expand in detail our views on the subject, in the Security Council, in the Special Committee on Peacekeeping Operations, the Fourth Committee as in this Working Group. We shall, therefore, restrict ourselves to making a few main points on when and how there should be closer consultations amongst these principal actors in a peacekeeping operation.

- **These consultations should start when the Council mandates an operation.** By then the Secretariat has decided which countries should be TCCs and it has a concept of operations. At that state, there should be a meeting or meetings of the Council, the Secretariat, and the potential troop contributors, to: Explain in some detail what the scope of the tasks is, what the likely problems are, what the TCCs will be expected to provide, and what to do. TCCs must commit themselves to an agreed set of tasks with resources and problems identified, and establish that they have the means to discharge their obligations. This is the stage at which those who are considering participation can assess their readiness in terms of the challenge of the task.

Share operational information, which some permanent members have and do provide on an ad hoc basis to some TCCs. This information is often invaluable in helping prepare for a difficult mission in unfamiliar terrain. Introduce TCCs to Secretariat bodies that they do not interact with, but which are often prime movers in some operations: OCHA comes to mind, but there are others.

- **There must be close consultations in the preparations for deployment.**
- **Consultations must be immediate whenever there is a change of situation on the ground.** TCCs are not only the first to know that things are going wrong, they have the keenest interest in being told what the Council and the Secretariat have in mind because it is their troops who will get the blame for failure or take casualties. Collective decisions, not just consultations, are essential.
- **Consultations must be held with TCCs before the Council changes a mandate.** TCCs are often the only ones who can properly advise if a change is needed, if what the Council has in mind will make matters worse or better, if it can be done militarily with the resources available, and, if it is, what the outcome is likely to be. The Secretariat may have this information too, relayed from the field, but may be diffident about opposing powerful voices in the Council. On other occasions, when its own predilections may be shared by these members, the advice from the field is suppressed. It is the Council that must make the decisions, but its members would agree that they can only make informed decision if they are given the information they need.
- **TCCs must know, and accept in advance, material changes to the terms and conditions under which they committed their troops.** This is obviously essential when there is a formal change from a Chapter VI to a Chapter VII mandate. This collective agreement is essential for the UN because it must satisfy itself that troops trained and equipped to carry out a set of agreed tasks can in fact take on and do well a set of radically altered tasks. For the TCCs, it is just as important because their Governments and Parliaments want to know why their soldiers have been sent into situations not anticipated when the UN's request for forces was accepted.
- **When force is authorized, the Council must implement Articles 43 and 44 of the Charter.** As we have repeatedly pointed out, Article 44 stipulates that TCCs must participate in the Council's decisions, not just be consulted on them.

How are these consultations at various stages to be held ? Private meetings under the 1353 mechanism are welcome but we need to go beyond this. In particular, o Instead of resorting to ad-hoc measures, a regular body should be created comprising members of the Council and contributors of formed units to a particular mission to interact on various aspects of the conduct of that particular operation.

- The Security Council's Working Group on Peacekeeping Operations should involve TCCs more frequently and intensively in its deliberations, particularly in the very early stages of mission planning.

Mr President,

The issue of meaningful consultations between troop contributors and the Council is not a question to be determined by preserving status or privilege, but by necessity. Troop contributing countries put at risk the lives of their soldiers in the service of the United Nations, in upholding and preserving the cherished ideals of the UN Charter, strikingly more than do many members of the Council, who hold primary responsibility in this regard. But that is not all. This involvement is often related to the whole state of public opinion and in a democratic country like ours, this naturally has a great influence on our Parliament and our Government. The Council must be acutely aware at all times that it is acting on behalf of the membership and not to safeguard its own preferences. We call upon its members to involve troop contributing countries early and fully at all stages of a peacekeeping operation, in an attempt to address one of the most glaring lacuna in the way this organization conducts PKOs.



680. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on small arms at the United Nations Security Council.

New York, February 17, 2005.

Mr. President,

As we are speaking in the Council during this year for the first time, I would like to take the opportunity to welcome the presence of new members of the Security Council, Argentina, Denmark, Greece, Japan and Tanzania and extend our good wishes to them.

Mr. President,

We thank you for convening this open debate of the Security Council on Small Arms, though we would like to reiterate our view that thematic debates should have no place in the Security Council and that these are best left to the General Assembly. We are particularly aware of the complexity and lethality of the proliferation of illicit trafficking in Small Arms and Light Weapons. Over the last two decades, thousands of innocent civilians in India have fallen victim to the acts of the terrorists who use such illicitly obtained weapons for their nefarious activities. Since 1990, the Government of India has seized close to 40,000 such weapons whose markings indicate unmistakably external origin.

We remain deeply concerned that Small Arms and Light Weapons continue to pose grave danger to the security of States. Such weapons have disrupted political stability and social harmony, derailed pluralism and democracy and hampered growth and development. They have also fuelled international terrorism and internal conflicts. In some regions, there is a clear linkage with trade in narcotic drugs and the illicit exploitation of natural and strategic resources. In others they have fuelled civil strife and civil war. Their indiscriminate and irresponsible use, particularly by non-State actors, has caused enormous humanitarian concern that is evident in its most potent form in Africa, particularly in some of the countries of Central and Western Africa. India welcomes the Report of the UN Secretary-General contained in document S/2005/69, on the ways and means by which the Security Council could contribute to this issue. We have been closely following this issue in both the General Assembly and the Security Council and remain

committed to supporting all international endeavours to curb and eradicate the illicit trafficking of such weapons.

India has had the privilege to chair the Group of Governmental Experts on Small Arms and Light Weapons. We are also actively participating in the Open-ended Working Group currently negotiating an international instrument to enable States to identify and trace in a timely and reliable manner illicit Small Arms and Light Weapons. We accord a high priority to this exercise.

Efforts towards evolving an instrument on Marking and Tracing of illicit Small Arms and Light Weapons should be seen in the context of the overall implementation of the UN Programme of Action adopted in 2001. An important underlying theme of our collective effort is to help in the international efforts to combat terrorism. Indeed, the Programme of Action had highlighted the fact that the illicit trade in Small Arms and Light Weapons fuels crime and terrorism. This instrument, we believe, would contribute substantially to the efforts to combat terrorism. We are happy to note the reference from the report of the monitoring Committee in the UN Secretary General's Report which states that "combating weapons smuggling has to definitely be an active part of the fight against terrorism" and adds that all States should be encouraged to adopt the measures incorporated in the UN Programme of Action.

Mr. President,

Illicit trade occurs because of illicit production, or because licit production or licit stocks enter the grey and black markets, thus swelling the illicit weapons market. These weapons end up in the possession of criminals, exacerbating problems for law enforcement agencies and, worse, get into the hands of unscrupulous arms brokers, ending up in areas of conflict and in the hands of extremists and terrorists. The Programme of Action recognises that stringent measures are needed to ensure that there are effective controls over legal transfers of Small Arms and Light Weapons.

India follows a strict policy with regard to export of Small Arms and Light Weapons that includes the requirement for end-user certificates on a government-to-government basis and a ban on exports to countries under UN arms embargo. It is our hope that all other States would also undertake an obligation not to supply such weapons to non-state actors and would

insist on authenticated end-user certificates to ensure effective control over the export and transit of such weapons, and not seek exemptions over State-to-State transactions or for transactions related to national security priorities. The international community on its part must also ensure that the trade in arms flows only through channels authorised by both the exporting and the importing Governments.

Mr. President,

India remains committed to seeking stronger and more binding mechanisms to ensure cooperation for our collective security. The final instrument that emerges from the Open-Ended Working Group on Marking and Tracing should reflect not only the concerns and priorities of all Member States but also the expectations of the wider international community. While States are committed to the eradication of illicit trafficking in Small Arms and Light Weapons in all its aspects, this commitment can be effectively translated into concrete action and tangible results only if it is backed by a legal obligation. We also believe that arms are only the means of delivery and it is availability of illicit ammunition that allows them to be used as instruments for spreading violence and committing terrorist acts.

India, therefore, ideally favours a legally binding instrument and the inclusion of ammunition and explosives within the scope of the instrument in order to tackle the issue in a comprehensive manner.

Mr. President,

The boundaries between crime, conflict and terrorism are blurred in the context of illicit Small Arms and Light Weapons. Trafficking in illicit arms straddles not only organised crime, but conflicts and activities of terrorist and insurgent groups who may be aided and abetted either directly by States or indirectly through individuals who are part of State structures. We, therefore, believe that obligations undertaken by Member States under the instrument must include all Small Arms and Light Weapons, whether they are manufactured for government or private use or for export on a State-to-State-basis.

Mr. President,

Multilateral diplomacy has achieved a modest measure of success in dealing with the threat posed by illicit trade in Small Arms and Light

Weapons. The adoption of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in July 2001 reflected the commitment of the international community to deal with this issue. The Programme of Action outlines a realistic, achievable and comprehensive approach to address the problem at national, regional and global levels. We hope that the Biennial Meeting of States in 2005 will provide an opportunity to review the effectiveness of the Programme of Action in achieving its objectives and to consider further measures for its full and effective implementation.

Thank you, Mr. President.



681. Statement by A. Gopinathan, Deputy Permanent Representative at the UN on children and armed conflict at the United Nations Security Council.

New York, February 23, 2005.

Mr. President,

We welcome this opportunity to participate in the Council's consideration of the issue of Children and Armed Conflict.

Children have become increasingly involved, both as targets of violence and as combatants, in conflicts. During the last few years, more than 500,000 children, recruited in 87 countries, with around 300,000 actively participating in combat, have been involved in conflict in some form or the other. Most often, it is not possible to make a distinction between a forced and a voluntary child soldier. The more vulnerable the people are, the easier the process of recruitment becomes. Whereas some children join armed groups for food, survival or to avenge atrocities in their communities, others are physically abducted for war by armed groups. Enticed by promises of food, shelter and security, and sometimes plied with drugs, child soldiers are at times led to commit atrocities against other armed groups and civilian populations, sometimes even against their own communities.

We thank the Secretary-General for his report on Children and Armed

Conflict. The report makes a significant attempt at addressing an important issue. Before commenting on some specific aspects of the report, we feel a few general points made in the past by India on this issue needs reiteration.

The first relates to salience. How useful is it to have 'thematic debates' in the Security Council on subjects such as the present one? It is true that a large number of children are victims of armed conflicts. But it is equally true that malaria and AIDS kills more children than conflicts do, but we do not deal separately in the Council with children and malaria or children and AIDS or request reports from the Secretary-general on them. A sense of balance and perspective should be retained in order to make sure that too narrow a focus does not blot out the larger picture of what has sometimes been called the "soft" challenges to international peace and security.

The report has identified the Security Council as by far the most important international 'destination for action.' The report has also offered targeted sanctions as the universal remedy in cases of insufficient or no progress. However, the Council can impose sanctions under Article 41 only if it has established, under Article 39, that there is a sufficient danger to international peace and security to justify them. Only States are Parties to Conventions, non-state actors are not bound by them. More important, most armed groups obey no laws, national or international. In some cases of internal conflict, non-state actors or rival political groupings may make offers of adhering to such instruments precisely to gain legitimacy or a political 'locus standi'. Further, can a violation by a State of the provisions of the Convention on the Rights of the Child be construed as a threat to international peace and security?

The fifth report of the Secretary-General shows that in the years since this issue has drawn the attention of member States of the UN, the overall progress made in addressing the circumstances of children in situations of armed conflict has not been particularly satisfactory, though there have been pockets of success. It is seen from this and previous reports presented to the Security Council that success has been achieved where the SRSG has himself engaged and been involved in obtaining a commitment for release and demobilisation of child soldiers.

Of the four key components that encompass the Secretary-General's concept of the 'era of application', the element of establishing a monitoring, reporting and compliance mechanism is, in our view, the least practical.

The nature of the situations of conflict, particularly in Africa, is such that the models of monitoring, reporting and compliance provided by the Secretary-General make them impractical and, therefore, ineffective.

Mr. President,

A body of standards for monitoring, including instruments which do not command universal acceptance, cannot be imposed on Member States. A Member State while otherwise committed to the norms and commitments on the promotion and protection of rights of children would be right in maintaining that it would not be bound by any instrument to which it is not a Party.

The use of children in armed conflict has been aggravated by the proliferation of small arms and light weapons worldwide. These weapons are inexpensive, durable, small, lightweight, easy to maintain and small enough for them to handle. Illegal arms trafficking and poor monitoring of the legal trade make it easy for them to access such weapons. We are disappointed to note that the report does not call for the adoption of more legally binding commitments by Member States such as those on Marking and Tracing of Small Arms and Light Weapons and preventing the sale of arms to non-State groups.

It cannot be denied that in many conflict situations, the most vulnerable members of the population, particularly women and children, are targeted with impunity. While no leniency should be shown to crimes perpetrated on innocent children, we need to see in perspective the fact that many children responsible for reprehensible crimes have often been manipulated by unscrupulous adults to take part in armed conflicts.

Mr. President,

We support the principle enunciated in paragraph 89 of the report that any action by UN entities and international NGOs at the country level should be designed to support and complement the protection and rehabilitation roles of national authorities and should never supplant them. However, we believe that this principle remains valid not only in the context of taking necessary action based on monitoring reports but also in designing the monitoring and reporting mechanisms themselves. In our view, the role of the national authorities must have primacy in gathering, vetting and

compiling information at the country level as well as in the actions undertaken by UN field teams. The most effective way to ensure local ownership and sustainability is not just through the strengthening of civil society networks alone. UN entities working at field levels and NGOs involved in monitoring and reporting must work in close collaboration with national authorities, avoiding intrusiveness and respecting national laws and sensitivities.

India has supported the concept of child protection advisors in UN peace-keeping operations as a means to complement the important work of the SRSG himself. We would, however, be deeply hesitant to involve the development agencies in developing countries from divesting or diluting their responsibilities in promoting and enhancing development cooperation and technical support.

Mr. President,

We have taken note of the proposal to constitute a Task Force on Monitoring and Reporting (TFMR) in countries where children and armed conflict is an issue. It has been proposed that the Task Force would involve "key members of the Child Protection Networks," including "UN and NGO actors who have the experience and are most directly concerned with monitoring and reporting." Who would select this 'cohesive group' from among the key members of the Child Protection Networks? It is also not clear to us why this Task Force would be more useful than the existing Child Protection Networks. In our view, the Task Force would only be effective if it can garner the trust and cooperation of all the main stakeholders who are involved in bridging the gulf between initiatives and implementation.

We are surprised to note that even after four years of its existence, the Task Force on the subject at UN headquarters has not been able to formulate and compile guidelines on monitoring and reporting. The absence of such guidelines has, no doubt, led to the uneven quality of reporting on compliance and progress in the different situations where children are victims of armed conflict. Efforts towards ending the recruitment and use of children in armed conflict can only be effectively addressed when the guidelines - i.e. what the stakeholders have to monitor and report on - are clearly outlined to them. Precise guidelines would not only help gather relevant information but also provide the necessary basis for formulation of policy. We remain wary about the efficacy of establishing 'Neighbourhood Initiatives' to address

children and armed conflict concerns at cross-border and sub-regional levels. While lessons learnt in one country may be useful in understanding some of the underlying factors behind the phenomenon, contextualising the problem of children in armed conflict is as important as addressing the problem itself. The specific political, social, historical and cultural contexts are unique to each conflict and the reasons why children are recruited or lured to join armed groups in one country may be entirely different from those in another. We do not see merit in a sharing of the lessons learnt and best practices at the regional level. It should be up to the Task Force on the subject at UN headquarters to evaluate the 'lessons learnt' and the 'best practices' so that they are disseminated where they would have the most relevance to stakeholders for implementation at the local level.

Mr. President,

While we appreciate the substantive work undertaken to present the report, we would draw attention to a fundamental and critical issue which, though at the heart of the debate, has not received any consideration, thereby undermining the proposals that have been made in this report. We believe that the situation of children and armed conflict has not seen appreciable amelioration as in these situations, sometimes one and sometimes both parties are non-State actors. States can be expected to abide by obligations assumed by them under international legal instruments to which they are Parties. The Secretary-General's monitoring proposals are applicable primarily to States. The Secretary-General's report has not made any suggestions on how non-State actors are to be held accountable. Till this aspect is addressed, the proposals that member States consider will have limited value, as all parties to an armed conflict need to have accountability, not only States.

The concerns raised here are with a view to find an effective means of dealing with an important problem. Any breakdown of peace and security and the conflicts that ensue have a tragic impact on children. However, we feel that we ought to make decisions and act in ways that would lead to effective results. We should bear in mind the need for obtaining the most efficient and optimal results, as resources that are dedicated to any of these mandates are finite and inelastic, especially in an era of 'zero-nominal growth' in most of UN's budget-lines.

We should strive for increasing efficiency, cost-effectiveness and impact while dealing with this important question of protecting children from the impact of armed conflict.

Thank you, Mr. President.



682. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on informal consultations on the report of the High-Level Panel on Threats, Challenges and Change and on the United Nations Millennium Project 2005 report at the informal meeting of the 59th session of the UN General Assembly.

New York, February 23, 2005.

Mr. President,

We welcome your initiative in convening this informal meeting of the General Assembly to continue our exchange of views on the Report of the High Level Panel on Threats, Challenges and Change and on the Millennium Project Report. We hope that these deliberations would provide constructive inputs for the Report of the Secretary General on the Comprehensive Review of the Implementation of the Millennium Declaration.

We agree with your suggestion of organizing these informal consultations around the four clusters of peace and security; development; rule of law and protecting the vulnerable; and strengthening of the United Nations, in particular institutional reforms. We trust that the Secretary General's Report due in March will take into account these discussions and those that have preceded these, take cognizance of progress registered and broad areas of agreement wherever they have emerged so that it can truly become a plank on which future discussions on outcomes of both the High Level Panel Report and the Millennium Project Report should be anchored. In his note of December 2, 2004, transmitting the Report of the High Level Panel he had hoped that "not all action will be frozen until September. We should move quickly and take action on recommendations

wherever we can." Discussions in clusters on outcomes will help to "lock in" broad agreement or decisions on each issue without holding this hostage to decisions on others.

In the interest of brevity (and we remain persuaded of its merits), we shall not repeat in detail what we have already said on these issues at the informal meetings of the Plenary on January 27 on the High Level Panel Report and on February 10 on the Millennium Project Report, nor do we wish to go over in detail ground that has already been covered by the Chairman of NAM and the Chairman of G-77, statements with which we broadly concur. For us, the centrepiece is development. Poverty and internal conflicts are not simply the legacy of colonial rule or the result of current poor governance but are the epiphenomena, as we analyzed during the consideration of the Millennium Project Report on February 10, of liberalization and globalization and the policies of international economic institutions. In public health, TRIPS hinders a successful fight against epidemics. One cannot integrate the achievement of MDGs into the policies of international economic institutions without tackling systemic issues. One cannot heal the metabolic rift between human beings and the earth without facing squarely the issue of the balance of forces where, in a tragic reenactment on a global scale of the Enclosure Movement of 300 years ago, the developed world has appropriated the global commons - the carbon absorption capacity of the atmosphere, the oceans, the biosphere. Some of the Small Island Developing States in North Pacific are not directly assisted in their development by UN agencies because of neo-classical arguments on the economies of scale. This is made worse by lack of UN representation there and the frittering away of resources on advocacy.

The problem is the reform of the UN and its agencies, the recovery of the original vision of a UN-driven, a development-driven and not a donor-driven managerial approach. It is no mere coincidence that both Pope John Paul II and the Report of the World Commission on the Social Dimension of Globalization come to the same conclusion. The former on January 1, 2005 said that "the foreign debt of poor countries is closely related to a series of other problems such as foreign investment, the proper functioning of major international organizations, the price of raw materials and so forth", and the latter calls for a reform of the functioning of Bretton Woods institutions and the WTO and concludes that the UN is "uniquely equipped to spearhead the process of reform"

From whatever direction one approaches these issues, all paths lead to the need for revitalizing the General Assembly, to shifting the balance of forces in the UN Security Council, through the inclusion of major developing countries in its permanent membership, so that the United Nations can set the international economic agenda and promote the reform of international economic institutions. It is not simply a question of a commitment to debt relief; flow of resources; transfer of technologies. All these are important but would, as in the last five years, be unavailing without a shift in the balance of forces, with the UN assuming control of the international economic agenda through a revitalized General Assembly and a transformed Security Council. On the development agenda, we note the emphasis being placed by developed countries on the follow up to the Monterrey Consensus. We are not convinced that this would be sufficient, as has been also brought out in the Millennium Project Report. We recall the outcome of not only the Johannesburg Summit but also the important meetings held in Brussels, Almaty and Mauritius which sought to address respectively the specific concerns of the least developed, the landlocked and the Small Island Developing States, long recognized as groups of vulnerable countries, requiring special attention and measures. All these conferences were held after the Millennium Summit.

Therefore, in our view, the 2005 event should pay particular attention to the effective implementation of these conference outcomes in terms of clear agreement on financial resources, technology requirements and capacity building needs. In the vital field of trade and intellectual property rights, clear directions to the WTO especially to the Sixth WTO Ministerial Conference in December, 2005 in Hong Kong on Special and Differential treatment; Special Safeguard Mechanism; NAMA; subsidies and IPR would help. In the context of this last I would refer to the recent Delhi Agreement on "disclosure of source of genetic resources and associated traditional knowledge" to prevent the patenting of community-owned bio resources.

The High Level Panel Report calls the Nuclear Non-proliferation Treaty "an extraordinary bargain". So it was - an extremely discriminatory treaty extended indefinitely which neither prevented proliferation nor fulfilled the promise of unfettered peaceful use and access to technology for this purpose. Incidentally, the emphasis on multilaterally negotiated universal and non-discriminatory disarmament instruments has been missing. Now once again there is talk, in another context, of a grand bargain - grander in

the sense of being more discriminatory? Development is an inherent right and there can be no bargain, grand or otherwise. The assumption that developing countries have no interests or stakes in dealing with terrorism, proliferation or other issues of peace and security is unacceptable because it is they who face the most insecurity. It is not through such a Faustian bargain that developing countries can realize their objectives but through the time tested principles of solidarity and mutual cooperation. In Jawaharlal Nehru's phrase, long years ago we made a tryst with destiny and as our economy grows the Government of India is doing its best to keep faith with our people and the people of developing countries through South-South Cooperation. This is the only internationalist bargain we find appropriate.

Mr. President,

It is appropriate that all items relating to the rule of law and protecting the vulnerable have been clubbed together under one cluster. On the rule of law, the Secretary General, in his statement to the General Assembly at the commencement of the general debate of the 59th Session had reminded us of the imperative of the rule of law at both the national and international levels. The UN should recognize the centrality of democracy in the evolution of a peaceful world order and should develop a framework to protect democratically elected governments from unconstitutional overthrow and to impel an usurping dictatorship to make way for popular democracy again. Of equal importance, however, is the protection of the vulnerable at the international level. We have on an earlier occasion spoken of the sense of alienation of the developing world - the vast majority of the member States of this Organization - at the growing inability of the UN to secure and promote their vital interests, be it on issues of peace and security or on development. We believe that just as the rule of law should protect the vulnerable in society, so also the rule of international law should protect weak and vulnerable States from the arbitrary exercise of power by the strong. Here again, the imperative is a vigilant and revitalized General Assembly and a transformed Security Council with new permanent members subject to accountability reinforced by review.

As we have seen over the last decade and a half, non-permanent members, whether for 2 or 4 years cannot ensure that the UN Security Council itself become the subject of international law like the member States with decisions bounded by the purposes and principles of the Charter and

judicial review. As we said earlier, it is not a matter of arithmetic but of shifting the balance of forces to end the alienation of the developing and advance their political and economic interests; it is not only a question of transparent working methods which have not been adopted hitherto in any significant measure but of new permanent members mandated to make these a reality. Only in this manner can the use of force be minimized and problems of terrorism and proliferation addressed in a rational and effective manner. While the High Level Panel Report has carried forward the debate on the former, it is, regrettably, selective and one sided on the latter. One cannot just mention one or several "rogue" individuals while keeping silent on the State or States that patronize them; one cannot just mention the recipients while keeping silent on the givers - the real proliferators. It is surely as thoughtless in security matters as it would be in economics, to talk entirely of demand and remain silent on the supply, especially the suppliers.

Paradoxically, we may even sympathize with much of what has been said by the opponents of Model A: support for Model B has indeed increased - from six member States to eleven member States; making the 19 elected seats under Model B open to 186 Member States (quite clearly to overcome the fact that Model B is devastating for small States) makes Model B both conceptually and practically irrelevant; three permanent members (a majority) have rejected the idea of deadlines and early decisions that may not command consensus - that is precisely why such early decisions based on broad agreement are likely to be in the interests of the vast majority of the Member States of the General Assembly; a new category of permanent members without veto would not balance the weight of the existing permanent members - that is precisely why new permanent members should have the veto under guidelines that would act as an example to other permanent members. In all humility, I would suggest that it is a little tiring to hear of aspirants to permanent membership being governed entirely by national ambition - as if those opposing them are inspired entirely by an unalloyed altruism which makes them go against their very national interest. Of course, I understand their emotional problem- Model A has become like a nail in the shoe - till it is removed they cannot even enjoy the sunshine.

Mr. President,

In conclusion, I would like to state that the United Nations General

Assembly has to either set the agenda or be dominated by somebody else's; either act in the coming weeks or remain in the realm of words for years to come; either find concrete and effective mechanisms for actually promoting economic development in practice or rest content with yet another declaration. The great Russian novelist Tolstoy in "Anna Karenina" says that "Happy families are all alike but every unhappy family is unhappy in its own way". Unless the socio-economic specificities of the unhappiness of the developing world are effectively addressed the foundations of anything done will not be strong.

Thank you, Mr. President.



683. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN at the eleventh meeting of the Inter governmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries.

Havana, March 21, 2005.

Mr. Chairman,

We would like to compliment Cuba for hosting the Eleventh Meeting of the Intergovernmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries [IFCC-XI]. We express our deep appreciation to the Government and the people of Cuba for their hospitality, their warmth and excellent arrangements made for this meeting. Jamaica has been a dynamic Chairman of G-77 and we are convinced that under your able guidance this meeting will contribute substantially to our joint endeavours to transform South-South cooperation into an effective instrument for our development.

This meeting is taking place at an opportune moment, prior to the Second South Summit and the review of the implementation of the commitments made at the Millennium Summit. This gives us an opportunity to provide valuable inputs to these forthcoming meetings.

Mr. Chairman,

The agenda of the South and its collective voice, as it crystallized and evolved through group efforts of the developing countries represents a major advance in terms of efforts to define and build a conducive international environment for development.

The 'governance' net was cast over the South gradually, initially via structural adjustment programmes, [SAPs] complemented by trade- related global regimes/agreements, which had neither the development goals nor interests of developing countries as their objective. Developing countries found their policy space, domestic and external, increasingly circumscribed. Today in many respects, the environment is more harsh. The voice of developing countries and their further empowerment in the international arena is vital for leveling the so-called 'playing fields'.

Two-thirds of developing countries depend on commodities for half their export earnings. Half the African countries get 80% of their merchandise export earnings from commodities. By 1990 alone, commodity prices were below their 1932 level which had been the period of the Great Depression. This has devastated the economies of sub-Saharan Africa while sustaining at the same time the high living standards of the developing world, whose export subsidies and domestic support has further depressed commodity prices. From 100- to 2002 loss in income to developing countries from the steady decline in prices equals the subsidies paid by the OECD countries to their farmers and is five times their ODA. In Nebuchadnezzar's dream only the feet were made of iron: today the heart of the international economy is made of iron. To transfer the assets of the poor one does not need the medieval rack; the terms of trade and the price mechanism are enough. Similarly, the negative impact of TRIPS is not just on prices of medicines and public health but also (a matter seldom discussed) on science and technology, the key to achieving MDGs and economic growth. Therefore, one of the most important dimensions of South-South Cooperation is a solidarity both political and practical: the crucial beginning that played a vital role was made with groups of countries who fought the battle on countries through capacity building where necessary in an inclusive process has to be eventually achieved. You yourself have referred, Mr. Chairman, to 'systemic inequities' and the need for South-South Cooperation in formulating a common strategy.

South-South Cooperation is critical for such institutional reform and transformation. The background policy paper of the South Centre (document G-77/IFCCXI/ 3) as well as document XI/12 emphasized the critical importance of UNCTAD and its Secretariat in the context of the fact that the WTO does not deal with commodity exporters or with developing supply capacity, besides being non-transparent and noninclusive. For the developing countries, this makes UNCTAD a vital component of the multilateral trading system. Its leadership is therefore, an important question that the South has to consider carefully. So also the UNDP provides financial support for some South-South Cooperation and we are confident that the question of its leadership would also be carefully considered.

In the meanwhile, South-South Cooperation is necessary for mitigating the adverse effects of international economic policies till these can be transformed. Minister Morales has also referred to the need for removing the causes of under development. My country and other developing countries substantially increased their commodity imports from the rest of the developing world in the last one and a half decades. This helped commodity markets. India is also investing substantially in developing countries (for instance it has become perhaps the largest investor in Tanzania). The Minister from Kenya referred to debt cancellation by the North. I am happy to say that India has written off the debt of the seven Highly Indebted Poor Countries. India has also launched the The Techno-Economic Approach for Africa-India Movement (TEAM-9) initiative involving a concessional credit of US\$500 million and technology transfer to West Africa and we are also cooperating with and assisting NEPAD would welcome suggestions and proposals on further projects. The Trilateral Commission of India, Brazil and South Africa (IBSA) as well as its Trust Fund within the UNDP for poverty alleviation is both a manifestation of and a contribution to South-South Cooperation.

Mr. Chairman,

In our region, we hope that the Free Trade Agreements in different stages of progress and implementation in SAARC, BIMSTEC and ASEAN would eventually lead to an Asian Economic Community. We hope the SAARC countries would bring to bear the political will to carry this process rapidly toward. To promote inter-regional and not just intra-regional trade, India has signed a Preferential Trade Agreement with MERCOSUR. Mutual

trade preferences can do a lot for developing countries till they can achieve a just and fair multilateral trading system. Therefore, the third round of the Global System of Trade Preferences among developing countries holds much promise.

South-South trade requires the facilitation of banking ties. Indian banks, therefore, are looking to becoming members through equity participation in both the bank of Central American countries and the CARICOM bank. Energy and road infrastructure are equally crucial and catalytic for trade and we note with satisfaction the progress made in this regard in our region. I may also mention our investments in the oil sector, wider afield in many countries.

India's Prime Minister Hon'ble Dr. Manmohan Singh was the Member Secretary of the South-South Commission headed by H.E. Dr. Julius Nyrere. This is symbolic of India's commitment, underscored by the Indian Technical and Economic Cooperation [ITEC] programme which has, since 1964, provided over US \$2.5 billion worth of technical assistance to other developing countries. More than 5000 representatives of developing countries are annually provided training in over 250 institutions under different scholarship programmes.

It is sometimes superficially said that scientific knowledge and technology are pivotal for economy today: these have always been pivotal. India having faced technology denial regimes, does not believe in these. In ICT, because of economies of scale, the national digital divide sometimes becomes as problematic as the international digital divide. This can be bridged through the Wireless In Local Loop Technology developed by the Indian Institute of Technology, Chennai which eliminates expensive modems and copper lines and is already been used in Fiji, Yemen, Nigeria and Tunisia. Similarly, the hand held internet appliance "simputer" is both cheap and can be used by the illiterate. This has been developed by the Indian Institute of Science, Bangalore and the intellectual property right transferred for free to a non-profit Simputer Trust which is licensing the technology at a nominal fee to developing countries. Regional computer centers have been set up in Mauritius and Ghana and would soon be in Central America. The Minister from Nigeria has mentioned cooperation in health. Cuba and some other developing countries, including our own, are advanced in pharmaceuticals and biotechnology and a collective initiative in this field could expand

cooperation for public health in the developing world.

India has started work on a connectivity mission in Africa. it will support teleeducation, tele-medicine, e-commerce, e-governance, into-tainment, resource-mapping and meteorological services. The seamless and integrated satellite, fiber optics and wireless network, to be provided by India, will connect 5 universities, 51 learning centers, 10 super-specialty hospitals and 53 patient-end locations in rural areas spread all over Africa. it will be in position within the next three years and all the African nations participating in this network would be able to reap the full benefits.

Mr. Chairman,

The capacities in the South have risen dramatically in the last two decades. The situation now is that there are hardly any goods or services required in the South, which cannot be sourced from the South itself. A conscious drive is needed to step up the volume of intra-South bilateral and regional trade, investment and technology transfer, transactions. Having more than a thousand island territories and having suffered from cyclones and most recently the Tsunami, India has special empathy with island states and will continue to cooperate in the fields of disaster warning and management. It is a good augury that this meeting is taking place in Cuba that has done so much for South-South Cooperation and whose national icon, Che Guevara himself once led the Cuban delegation to UNCTAD. If there is one phrase that may partly describe that for which he struggled and strove, it is South-South Cooperation: the circumstances are different; our means have to be different.

Thank you Mr. Chairman.



684. Statement by A. Gopinathan, Deputy Permanent Representative at the UN in the Ad Hoc Committee established by the General Assembly Resolution 51/120 of 17 December 1996.

New York, March 28, 2005.

Mr. Chairman,

We are very happy to see you once again presiding over our deliberations. We wish you every success and assure you, other members of the Bureau and the coordinators of our fullest co-operation.

Mr. Chairman,

India attaches the highest importance to the work of the Ad hoc Committee established by General Assembly resolution 51/210 of 1996, which has been dealing with the elaboration of a draft international Convention for the suppression of acts of nuclear terrorism, formulation of a joint organised response of the international community to terrorism and elaboration of a draft comprehensive Convention on international terrorism.

We believe that terrorism is a common enemy of all peoples, all beliefs, and religions, and of peace and democracy. Terrorism undermines the very foundation of freedom and democracy, endangers the continued existence of open and democratic societies and constitutes a global threat; therefore, there cannot be any compromise in the war against terrorism, nor can there be any justification on any grounds for acts of terrorism.

Mr Chairman,

In spite of putting in place various rigorous measures by the international community against terrorism, we have been unable to stop the spread of terrorist networks which have pervaded almost all regions of the world. We are cognisant of the weaknesses of the existing global legal frame work on terrorism. The Secretary-General had referred to the most important among these weaknesses when he recently mentioned the lack of a comprehensive convention on terrorism, based on a clear and agreed definition. Apart from the report of the Secretary-General of March 21, his recent statement at the Madrid conference on international terrorism and his address at the Arab League summit in Algiers are extremely important for our Committee's work.

We are all aware that an agreed definition on terrorism would be possible only as an out come of a process where the general membership of the UN is fully involved in its formulation. The General Assembly which had successfully evolved the legal framework of twelve international Conventions on terrorism, should not delay any further in completing the two draft Conventions pending before this Committee. Any further delay on their completion would only convey a wrong signal to the international community. We welcome the recommendations made in this regard in the Report of the Secretary-General's High-level Panel on Threats, Challenges and Change. We further welcome the categorical recommendation in the Secretary General's March 21st Report that the General Assembly should rapidly complete the negotiations on the Comprehensive Convention on Terrorism before the 60th Session. To borrow a phrase from the March 21 report of the Secretary-General, though made in another context, we feel strongly that the perceived difficulties or differences in arriving at a definition of terrorism that would command consensus should not be used as an excuse for delay or for postponing a decision on the Comprehensive Convention.

Mr. Chairman,

With regard to the draft Convention for the Suppression of acts of Nuclear Convention, we would like to reiterate our stand that the draft appears to be complete and ready for its adoption. We support the adoption of the Draft International Convention for the Suppression of Acts of Nuclear Terrorism as it stands now, without any further amendments.

Mr. Chairman,

We hope that the 2005 Summit will provide the political impetus necessary to adopt the two Conventions being considered by this Committee. The conducive atmosphere created by the presentation of the report of the High-Level Panel and the resounding endorsement given by the Secretary-General in his report of March should enable this Committee to complete its work before the 2005 Summit, including resolution of all outstanding issues. We urge all delegations to work together in a spirit of cooperation and accommodation towards achieving this objective.

Thank you, Mr. Chairman.



685. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Report of the Secretary-General: "In larger freedom: towards security, development and human rights for all" at the 59th session of the UN General Assembly.

New York, April 8, 2005.

Mr. President,

We welcome your initiative in convening the plenary meeting of the General Assembly to consider the Secretary General's Report "In larger freedom: towards security, development and human rights for all." The Report is well structured and wellintentioned and sets out the issues that need to be addressed. We hope that these deliberations will set the stage for constructive and meaningful discussions at the thematic consultations that will be conducted by the facilitators. We reiterate our commitment to continue to participate actively and contribute to the work ahead of us in order to reach broad agreement on the different issues under consideration with a view to achieving balanced outcomes.

First of all, I would like to join my distinguished colleagues in mourning the passing away of His Serene Highness Prince Rainier of Monaco and of His Holiness Pope John Paul II. We feel that the best way of mourning Pope John Paul II is to act on his words. On November 13, 1987, he "expressed the hope" that "relationships of exchange and the mechanism of finance can be reformed before shortsightedness and egoism degenerate into irremediable conflicts". On November 19, 1994, he stated that the United Nations is the "focal point of a widespread vivid consciousness of the need to address the grave imbalances that undermine world peace because they undermine justice and equity in relation between peoples" and concluded that "the fiftieth anniversary appears as a conspicuous opportunity for necessary reform and amendment." Therefore, the Summit cannot just be a summit for the MDGs. It has to be a summit for reform of the international economy and its institutions and of the UN, a summit for ending the grave imbalances in the international economy, in the UN Security Council, in the United Nations.

We agree with the Secretary-General that we need to see the Millennium Development Goals as part of an even larger development

agenda. In our view, the outcomes of the United Nations conferences and summits, particularly the Brussels Programme of Action, the Almaty Programme of Action and the Mauritius Strategy for the implementation of Barbados Programme of Action, which seek to address respectively the special needs of the Least Developed Countries, Land-Locked Developing Countries and Small Island Developing States, should form part of this development agenda. We would be supportive of consideration of measures that seek to address the problems faced by commodity-dependent and low-income developing countries.

My delegation associates itself fully with the statements made by Malaysia on behalf of the Non-aligned Movement and Jamaica on behalf of the Group of 77. I would draw attention to the need mentioned by the distinguished Permanent Representative of Jamaica to address systemic issues. This has become a matter of urgent practical necessity. When the Bretton Woods Institutions were created, it was in the context of Keynesian demand management to promote high levels of employment. The chains fell from the poor. In the last two decades, in places like sub-Saharan Africa, the IMF picked these up and placed these back on their shoulders. The medieval highwayman at least took from the rich and gave to the poor: the present international economic system takes from the poor and gives to the rich (through negative resource flows, low commodity prices, poor market access and the like). The centrality of development can, therefore, only be retrieved if the UN takes control of the international economic agenda: let us not forget that concessional aid, internationally created reserve assets and sustainable development were first debated and decided in the UN: the Bretton Woods Institutions followed. The MDGs cannot be achieved without implementing the 0.7% ODA target in a time bound manner (incidentally, Monterrey was a consensus but if consensus could make a difference, there would have been no need for the Sachs Report) and innovative financing. We welcome the call to conclude the Doha Round of Trade negotiations by 2006. In our view, measures should be adopted to operationalize the development dimension in the outcome of trade negotiations. The High Level Meeting of the General Assembly in September must give a political direction in this regard to the Hong Kong Ministerial of WTO in December especially on agricultural subsidies; non-agricultural market access (NAMA); TRIPS; services; non-tariff barriers; special safeguard mechanism and the principle of special and differential treatment. This is especially critical because of

the attempt in NAMA negotiations to eliminate the flexibilities for developing countries in paragraph 8 of Annex. B of the July, 2004 package in WTO. This strikes at the heart of special and differential treatment.

Incidentally, we saw the unsuccessful attempt in the Statistical Commission recently to eliminate indicators for monitoring MDG 8. Practical steps are needed to overcome the participation deficit of small developing countries on account of their underrepresentation in international economic decision-making and norm-setting. Our societies do not live on bread alone but also on solidarity and self reliance: India has written off the debt of the seven Highly Indebted Poor Countries and will continue with its economic and scientific initiatives such as Team 9 involving a concessional credit of US\$ 500 million and technology transfer to West Africa, further cooperation with NEPAD, continued cooperation through IBSA as well as the satellite and fibre optic connectivity mission in Africa. We welcome the recognition given by the Secretary General to the need to address with urgency the special needs of Africa and we support his proposal to develop and implement a ten year plan for capacity building within the African Union.

We hope to see commitments for concrete and implementable decisions. We would strongly counsel against a nihilistic approach to the Secretary General's Report for very practical reasons. If we adopt such an approach, we can do nothing about the future in which there would be occasions when force is used; more occasions when laws are made; still more frequent occasions when a certain economic agenda is followed. The economic and security system is gerrymandered in the interests of the rich and the strong. Only if we engage actively can we ensure that no country in the UN is too weak to influence the UN; correct substantially the imbalance; ensure that the use of force is constrained, that the economic agenda is truly development oriented and decisively influenced by developing countries and that laws are made by the General Assembly. It is in this context that we are happy that the Ad hoc Committee of the General Assembly adopted at the beginning of this month the International Convention for the Suppression of Acts of Nuclear Terrorism. This paves the way for the Comprehensive Convention on Terrorism during the 60th Session of the General Assembly.

The General Assembly can only be revitalized through action, through taking decisions according to the approved rules of procedure (not an imposed consensus); asserting control over long term questions of peace and security, including disarmament and arms control (Articles 11 and 14

of the Charter); elaborating international law and human rights, including oversight of all human rights machinery (Article 13.1); controlling Secretariat restructuring, including finance, personnel and management; setting the international economic agenda; and establishing the principles of oversight and accountability through actually selecting permanent members of the Security Council. This revitalization cannot be accomplished through a mere rationalization of agenda and meetings or by transferring items from one weak body to another. Its revitalization is necessary to guide and direct the other organs of the system and thereby fully exercise functions envisaged under Article 10 of the Charter. In fact, the source of legitimacy for the Security Council is support by the General Assembly. The weakness of the General Assembly and the strength of the Security Council has become a zero sum game. The relationship between the two is dialectical, as we have had occasion to say before. The weakness of the General Assembly means a weak (in terms of legitimacy and support) Security Council because then the UN becomes top heavy, unbalanced and, therefore, weak and lacking in legitimacy: a strong General Assembly means a strong Security Council.

During the decision on the Namibia 1971 case, Justice Fitz Maurice (incidentally a right wing conservative) had stated that "it was to keep the peace, not to change the world order, that the Security Council was set up". The attempt to change the world order has led to much disquiet and questioning, creating a legitimacy deficit that in some cases inevitably leads to a performance deficit. The question, therefore, is not one of efficiency or enlargement of the permanent membership but efficiency through enlargement. Only such an enlargement can include areas that are affected by decisions as well as countries that can contribute resources and capabilities and above all contribute to optimal decisions and their wide acceptance, thereby minimizing the use of coercion and force and increasing the power of persuasion and acceptance. That is why India has been working with Brazil, Germany and Japan and in cooperation with countries of the African Union for a Security Council reform that would increase the number of permanent members and non-permanent seats by including developed and developing countries in an expanded Council. Without the expansion of this political basis, Security Council action will not be authoritative and hence not effective: it would lack political legitimacy even if it has legality. As for periodic elections leading to accountability, have they so far carried forward the agenda of developing countries or ended their alienation? Accountability can only be ensured if those selected are given the power for change through permanent membership and then held accountable and

their performance subjected to stringent scrutiny through a review. The encroachment on the powers of the General Assembly continues; transparent working methods have not been adopted to any significant degree; only new permanent members selected by the General Assembly with a clear mandate and held accountable by it can make a difference. Circumstances surrounding Resolution 1441 of November 8, 2002 completely undercut Model B or any variant thereof: when the P-5 were divided and the non-permanent members could have made a difference, they stood aside, urging the P-5 to agree among themselves and assuring their support for any agreement so reached.

Democratization essentially is the dispersal of power, a transformation of the balance of forces. To argue otherwise is to believe that democracy is simply a polite name for continued dominance. Are some opposing voices from within the P-5 because of the fear of lack of effectiveness or to prevent even the slightest erosion of dominance? Is the talk of consensus a means of preventing dangerous divisions or a means of preventing democratization? If we fear division then should we sit back and do nothing on many other important questions relating to economic development that may also cause division? To have a total consensus should we abandon parliamentary democracy and voting and replace it with a system of consensus decided by a dominant elite? It is said that the ancient Greeks voted with stones. Should we then have the consensus of tomb stones? We have begun our search for consensus in the sense of the broadest possible agreement at the meeting called by G-4 on March 31st. We shall consult with all and take their ideas on board. We cannot believe that a minority uniting for consensus is a consensus and not a contradiction in terms.

There is a broad difference between the three European members of the P-5 on the one hand and the two non-European members on the other. The two non-European members have opposed broad agreement and early decisions and repeatedly emphasized the virtues of consensus and the evil of artificial deadlines. Thus, there is no consensus in the P-5. How then can one expect consensus among 191 members? Consensus, like charity, should surely begin at home. If consensus is considered such a vital principle, why not adopt it (with the abolition of the veto) in the Security Council for taking all important decisions (and what can be more important than the use of coercion, whether sanctions or military force, truly matters

of life and death)? They know perfectly well that this would paralyze decision-making in the Security Council. But there is no hesitation in paralyzing decision-making in the General Assembly. By a curious coincidence both the statements are entirely silent on the revitalization of the General Assembly. This silence on the revitalization of the General Assembly is in sharp contrast to the anxiety to prevent expansion of the permanent membership of the Security Council. To speak of artificial deadlines after a decade spent in consultations on this issue is a little extreme. To say that developing countries including from Africa should be included and then propose a process that would exclude them indefinitely is no great service to the developing world that G-77 represents and that, in Jawaharlal Nehru's moving phrase "carries the burdens and sorrows of the world" in a "kind of twilight between peace and war". Behind the call for consensus one can discern the outlines of dominance buttressed in the distance by the threat of the use of veto. The veto itself would be diluted by the enlargement of permanent membership though it would be even more so by the extension of the veto. The African Union, therefore, has supported such an extension.

The Secretary General has rightly said that consensus is preferable but should not be an excuse for postponing action and has advised a decision before the Summit. He has reiterated his views in the matter a couple of days back in Geneva. An early harvest is not likely to be a bitter harvest but a late harvest may be rotten with untimely rain.

Mr. President,

With regard to the debate on use of force, we believe that Article 51 is clear enough. The framers of the Charter never intended this article to cover anything beyond its text. This view has the support of the decision and opinions of the principal judicial organ of the United Nations, the International Court of Justice. We believe that Charter gives full authority to the Security Council to preserve international peace and security from threats, whether they be latent or patent. If the Council has experienced certain difficulties in assessing the seriousness of threat in any instance, it is owing to the lack of political will of the members of the Security Council than any lack of authority.

Mr. President,

We support the appeal of the Secretary-General to improve

deployment options, including the creation of a strategic reserve and a standing civilian police capacity, two initiatives have been targeted to optimise rapid and effective deployment. We believe that the synergy or the interlocking of capacities between the United Nations and regional organisations and arrangements must not substitute and should not be at the expense of United Nations peacekeeping which through its universality and experience occupies a niche that is perhaps unparalleled.

We fully subscribe to the notion that peacekeepers and peace builders have a solemn responsibility to adhere to the rule of law, especially to respect the rights of the people whom it is their mission to help. We have always maintained that peacekeepers can lay a vital foundation in the task of peace building if they embody, in their outlook and behaviour, a long-standing democratic and multicultural tradition.

Mr. President,

On the Peace-Building Commission, we look forward to receiving from the Secretary-General in the coming weeks a detailed paper that gives further information on the Secretariat's thinking on the functions and powers of this proposed body and the lines of authority, responsibility and reporting so as to facilitate further intergovernmental consideration of the matter.

Mr. President,

Because of paucity of time and the lateness of the hour I have not been able to deal with several issues such as disarmament and non-proliferation or human rights and democracy, on many of which our views are well-known. We assure you that we shall work closely with all member States to reach early decisions on different aspects of the matrix of issues that we are called upon to deal with. The imperative of ensuring that the 2005 Summit is a resounding success for the developing countries demands no less from all of us. We are confident that the General Assembly will be equal to the challenge and will strengthen its great legacy and not allow it to be further weakened, that it will move forward and not let itself be moved backward, that its creative energy will move beyond the confines sought to be placed upon it.



686. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item 148: Measures to eliminate International Terrorism : Report of the Ad Hoc Committee established by General Assembly Resolution 51/210 of 17 December 1996 in the 59th session of the UN General Assembly.

New York, April 13, 2005.

Mr President,

India attaches great importance to today's adoption of the Convention for the suppression of acts of nuclear terrorism. We congratulate the Chairman of the Ad Hoc Committee on terrorism, Mr. Rohan Perera, for successfully guiding the work of the Committee in concluding the Nuclear Terrorism Convention. We express our deep appreciation to the Russian Federation for tabling the draft Convention. The enthusiasm and energy they imparted to the negotiations over the last year led us to the finalisation and conclusion of the Convention which we have adopted today. We also thank the delegation of Mexico for tabling a proposal which enabled Member States to reach agreement over the Convention within the Ad Hoc Committee on terrorism.

We attach high priority to the formulation of international legal standards to combat terrorism. The General Assembly by adopting the Convention today has demonstrated its resolve to deny terrorists access to nuclear materials and enhance international co-operation between states in devising and adopting effective practical measures for prevention of acts of nuclear terrorism, and for the prosecution and punishment of their perpetrators. We are happy to note that this international legal instrument on terrorism, which is now the thirteenth sectoral Convention, also happens to be the first international legal instrument adopted by the General Assembly since 9/11. This is the optimal approach to international law-making.

Mr. President,

Terrorism constitutes one of the most serious threats to peace and security and human rights. It knows no border or boundary, it observes no code of conduct or constraints of religious ideology, nor is it restrained by humanity or the bounds of civility. It undermines the very foundation of

freedom and democracy and endangers the continued existence of open and democratic societies. The international community will have to remain united in persevering with its collective campaign to root out terrorism. Terrorists try to usurp the role played by secular and democratic nationalist forces and their reactionary vision can only strengthen reaction while their brutal anti-humanism dooms them to certain failure.

Mr President,

The importance of the recent statements by the Secretary-General in Madrid and Algiers, where he referred to the weakness of the international legal framework for terrorism and called upon Member States to expeditiously conclude both the Convention for the suppression of acts of nuclear terrorism and the Comprehensive convention on international terrorism, cannot be overemphasized. The High-level Panel's Report and the Report of the Secretary General presented on March 21, 2005 have also highlighted the importance and need for early conclusion of both the Convention on Nuclear Terrorism and the Comprehensive convention on international terrorism.

We have partially accomplished the task today by adopting the Nuclear Terrorism Convention which we trust will enter into force early. The Secretary General has called upon Member States to conclude negotiations on the Comprehensive Convention on international terrorism by the sixtieth session of the General Assembly. We hope that Member States would demonstrate the same resolve and flexibility in concluding the Comprehensive Convention on international terrorism.



687. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN at the informal thematic consultations of the General Assembly on The Report of the Secretary-General Entitled "In larger freedom: towards development, security and human rights for all".

New York, April 20, 2005.

Mr. Facilitator,

We thank both the Facilitators for convening these consultations and affording Member States an opportunity for an exchange of views on cluster III: "Freedom to live in dignity" of the March 21 report of the UN Secretary-General. We align ourselves with the statement made by Malaysia on behalf of NAM.

The Secretary-General has recalled in his report that in the Millennium Declaration, Member States had undertaken to spare no effort to promote democracy, strengthen the rule of law and respect for all internationally recognised human rights and fundamental freedoms. To advance a vision of larger freedom, the UN and its Member States must strengthen the normative framework developed over the last six decades. To accomplish this, the Secretary-General challenges the Member States and the UN to move from an era of legislation to an era of implementation.

This implementation can benefit from an enabling international environment but in the last resort has to be done nationally, by the struggle of ordinary people. In India, ever since Mahatma Gandhi and the freedom struggle basic values were implanted among ordinary people - secular democracy, pro-poor, egalitarian policies and the like. We have seen in election after election that any government that significantly diverged from these could not last long. The relationship between democracy and elections is a bit like that between scholarship and examinations: as somebody said "examinations are not an absolute test of scholarship but I am profoundly afraid of those who cannot pass these". We have found pluralism, not just ethnic, religious or cultural but also political, a source of strength and freely exercised choice an essential feature of rights: the Indian people in our federal polity have freely chosen communist governments in West Bengal,

BJP governments in Rajasthan and Congress governments both at the Centre and in many other States of the country. The Supreme Court's enforcement of Fundamental Rights has been reinforced by the work of the National Human Rights Commission. Though living in glass houses some may still throw stones: we can only continue to ignore the sound of breaking glass.

The indispensable unity of economic and social rights, including the right to development and of civil and political rights has been effectively expressed by the Nigerian writer Chinua Achebe in his "Anthills of the Savannah" (about the fictional country Kangan), one of the great literary works of our time: "it isn't even this second-class, hand-me-down capitalism, ludicrous and doomed...nor the destruction and banning of independent unions and cooperatives. It is the failure of our rulers to re-establish vital inner links with the poor and dispossessed of this country, with the bruised heart that throbs painfully at the core of the nation's being." Even dictatorships claim to advance human rights beyond the realm of ordinary politics. After the French Revolution, the socialist project proposed the completion of rights, not their abrogation: the middle class had abolished feudal social divisions based on birth but could not achieve real liberty, equality and fraternity for all. Democracy and human rights, therefore, are a universal core: precisely for this reason, as Habermas says, they "cannot be propagated by fire and sword." Ever since the French Revolution, human rights have remained highly politicised, a site of intense political struggle. To depoliticise is a chimera. Capacity-building is a different approach altogether; it is not depoliticisation.

Mr. Facilitator,

From all this it follows that human rights should be a sword of the poor, not a sword of empire, a staff in the hands of the weak, not "a jemmy in the door of national sovereignty". To our mind, the single most important criterion of the fairness and effectiveness of a decision taken or a machinery devised is whether the first can be promoted and the second prevented. India has long been opposed to intrusive monitoring and finger pointing while dealing with specific human rights situations in individual countries. India remains convinced of the essential validity of an approach based on dialogue, consultation and cooperation leading to a genuine improvement in the enjoyment of human rights by the members of any society.

Mr. Facilitator,

On the use of force, we believe that Article 51 of the UN Charter is clear. The framers of the Charter never intended this article to cover anything beyond its text. This view has the support of the decision and opinions of the principal judicial organ of the United Nations, the International Court of Justice. We believe that Charter gives full authority to the Security Council to preserve international peace and security from threats, whether they are latent or patent. If the Council experiences certain difficulties in assessing the seriousness of threat, it is, in most cases, owing to the lack of political will of the members of the Security Council than lack of power. We support the Secretary-General's proposal to set up a Rule of law Assistance Unit, not only for assisting national efforts in conflict and postconflict societies, but where such assistance is requested for developing effective national legal and judicial institutions.

Mr. Facilitator,

We have studied carefully the Secretary-General's views on the issue of "responsibility to protect". This is an issue of utmost importance and needs to be addressed with necessary caution and responsibility. We do not believe that discussions on the question should be used as a cover for conferring any legitimacy on the so-called 'right of humanitarian intervention' or making it the ideology of some kind of "military humanism". It is necessary to discuss this question and analyse all the ramifications of the idea of responsibility to protect, its limitations, its attendant obligations and the proposed mechanism for exercising it. As mentioned in the context of use of force, we believe that in case of genocide and gross human rights violations, no amount of sophistry can substitute for the lack of political will among the major powers.

Mr. Facilitator,

The Secretary-General has made some bold and innovative proposals with regard to the promotion and protection of human rights. Several of the thoughts and ideas expressed support India's long-standing conviction that rule of law and democracy are essential ingredients for promoting and protecting human rights in any society. We believe that just as the rule of law should protect the vulnerable in a society, so also the rule of international law should protect weak and vulnerable States from the arbitrary exercise of power by the strong.

The Secretary-General proposes the 'mainstreaming' of human rights, i.e. the integration of human rights into decision-making and discussion throughout the work of the UN, which he believes has not been adequately reflected in key policy and resource decisions. In our view, mainstreaming development into human rights would be equally important, as it would provide a better means of improving human rights situations in Member States.

Our experience demonstrates that a democratic, pluralistic society with a secular polity, an autonomous judiciary, a vibrant civil society, an unfettered media, and independent human rights institutions, is an effective guarantee for the protection and promotion of human rights in a country. The Vienna Declaration and Programme of Action (VDPA) also recognised that democracy, development and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing values which provide the foundation for a genuinely holistic conception of human rights.

National capacity-building in the area of human rights in which the Office of the High Commissioner can play a supportive role through technical cooperation programmes, inter alia, covering assistance in acceding to international human rights instruments, amendment of national legislation and putting in place a framework of administrative regulations and machinery for the purpose and establishment of national human rights institutions in accordance with the Paris principles are important for the promotion and protection of human rights universally. The Secretary-General has, in several proposals, recognised the importance of strengthening national capacities, which we welcome.

We support the proposal for endowing the Office of the High Commissioner for Human Rights with additional resources from the regular budget in order to promote national capacity building and strengthening technical cooperation programmes towards this end.

The Secretary-General has proposed the creation of a 'Human Rights Council', though the absence of an accompanying blue-print has engendered more questions than solutions. As we have seen earlier, it is difficult to conceive the proposed Human Rights Council escaping the politicisation that seems inevitable in this enterprise. It is also not clear whether its contribution to law making and the nature of the proposed peer review would

benefit from small size: in our time, pluralism and enlargement reinforce effectiveness through legitimacy and the size of the CHR and the universality of the Third Committee bring to bear certain checks and balances which are useful. We share the Secretary-General's view on the need for the Commission to move away from the present tradition of those primarily wishing to criticise others and those primarily wishing to escape and forestall such criticism. We have just received further details from the Secretary-General with regard to his proposal on the Human Rights Council, including the 'terms of reference', functions and competence. We shall study this further before expressing our considered views on the proposed Council. We, nevertheless, remain committed to engaging with delegations further on this.

We welcome the proposal made by the Secretary-General on the need for harmonised guidelines for reports to Treaty Bodies which, we believe, will lead to lessening the burden on States Parties, particularly developing countries among them, in this respect.

The Secretary-General advocates greater human rights field presence which would provide timely information to the United Nations for situations requiring action. He advocates that the "Action 2" Programme needs to be strengthened with more resources and staff. We would suggest this be done at the specific request of Member States concerned, lest this be perceived as intrusiveness.

Mr. Facilitator,

We fully agree with the Secretary-General's recommendations on the creation of a Democracy Fund and strengthening of the United Nation's electoral support activities. In this context, we would like to propose strengthening of United Nations capacities to protect elected democracies from being overthrown by unconstitutional means and reversing such overthrow where it occurs. We may add that the first is also in the spirit of the Ezulwini consensus.

Thank you, Mr. Facilitator.



688. Statement by A. Gopinathan, Deputy Permanent Representative at the UN at the Committee on Information.

New York, April 20, 2005.

Mr. Chairman,

We congratulate you and other members of the Bureau on your election. We look forward to a fruitful session of the Committee on Information this year under your leadership and guidance.

We thank Under-Secretary-General Shashi Tharoor for his informative statement at the beginning of the session, setting out Department of Public Information's road map for 2005. A transformed DPI is largely due to the efforts of his dynamism and drive and we should like to assure him and his team of our full support and cooperation in meeting the challenges that lie ahead.

We align ourselves with the statement delivered by Jamaica on Monday on behalf of the Group of 77.

Mr. Chairman,

We thank the Secretary-General for the reports presented for consideration of the Committee. We are broadly supportive of the recommendations contained therein. We would like to offer comments on some issues of particular interest to our delegation.

First, a word on the role of the Department of Public Information. As the voice of the United Nations, it has a critical function in the dissemination of information pertaining to UN's activities and programmes and in seeking to promote a positive public image of the United Nations. This task is rendered doubly challenging in the present context, given that the United Nations has, in the Secretary-General's own words, "been in the eye of a media storm in many parts of the world". The context of the revitalisation and reform of the United Nations promoted by the Secretary-General and the upcoming Millennium Review Summit have further added to this responsibility and challenge. And, as the UN seeks to communicate, it must do so most effectively, particularly in the developing world, which has not benefited equally from the revolution in information and communication technology.

DPI must always be mindful of the need to bridge this digital divide between the developed and developing countries. Given the enormous nature of the challenge, we are pleased to note that DPI has done well for itself. We are heartened that much positive work has been done in the past year, as indicated in paragraphs 5 to 13 of the Secretary-General's report A/AC.198/2005/2. We would encourage DPI to continue to build on this approach as it seeks to promote a positive public perception of the United Nations. We support the proposals of the Department for the observance, in September 2005, of the sixtieth anniversary of the Organisation.

DPI must maintain the focus on the thematic priorities identified in Paragraph 17 of the Secretary-General's report (A/AC.198/2005/2) in the areas of social and economic development, which are critical to the developing countries which constitute the vast majority of UN's membership. We particularly welcome, in this context, the efforts made by the Department to obtain coverage for the 2005 Mauritius International Meeting on the Sustainable Development of the Small Island Developing States (10-14 January 2005); to raise awareness of the second phase of the World Summit on Information Society (Tunis, 16-18 November 2005); and for the July 2004 and January 2005 sessions of the CEDAW and the exposure and focus on Africa, in keeping with the General Assembly's designation of Africa as a United Nations development priority.

Mr. Chairman,

The debate on the United Nations Information Centres (UNICs) has been a major focus of discussions in this Committee ever since the Secretary-General introduced in 2002 reform proposals on their rationalisation and consolidation. We had then been informed that the process would consist of two parts: one, the establishment of a regional hub in Brussels followed by a similar exercise in other regions and two, the ploughing back of resources thus released into the operational and programmatic activities of the Centres. While the first part of the proposal went through, even though we are yet to receive a detailed report on the functioning of the regional hub in Brussels, the second part of the proposal has slipped totally. This undermines the Department's own assertion that the exercise of regionalisation was not targeted to economise, but to optimise the functioning of the network of information centres. Under the circumstances, we are left with little choice but to agree with the Secretary-General in paragraph 11 of

his report (A/AC.195/2005/3) that large-scale regionalisation around the world will not be possible.

As for the recalibration or realignment of the rationalisation plan, we are supportive of the proposal that Governments provide rent-free or rentsubsidised premises. However, we wish to underline that any proposal for further rationalisation, which could include the closure of UNICs in the event of these conditions not being met, must necessarily be in consultation with the host countries, other countries served by these Information Centres as well as the regions involved, taking into account the distinct characteristics of each region. The importance of the UNICs in developing countries cannot be overstated where modern means of communications are not always available, and where these, as a consequence, strengthen the flow of information and assist greatly in addressing disparities faced by developing countries in access to information and information technology.

We continue to be impressed by the progress of the United Nations website which is a primary source of information about the Organisation and its activities, and continued to be relied upon by most delegations. We would reiterate, however, that the modern must not be at the cost of the traditional, especially true for the developing countries, where the vast majority still continues to be dependent on traditional means of communications such as the radio and the print media. The balance that the DPI has hitherto managed between the new and the old must continue to be maintained.

As regards the print products of DPI, we remain convinced of the value of their contribution in promoting awareness of the role and work of the United Nations. The same applies to the outreach services. We share the emphasis on outreach to civil society and NGOs as one way of promoting UN activities at the people's level by helping improve access to information by all nations and peoples. We welcome, in particular, the orientation of the *UN Chronicle*, both print and on-line editions, towards educational outreach, and would encourage its greater involvement with civil society organisations and institutions of higher learning.

On the relationship between DPI and the Department of Peacekeeping Operations, we would continue to urge that the two Departments work in closer tandem, with the objective to raise awareness about United Nations peacekeeping, particularly relevant given the present

surge, as also to project more successfully the achievements of peacekeepers, both in the developed and developing world. While there is a definite paucity of such information in the first instance, in the case of the latter, such publicity could also serve as an incentive to those countries to continue to contribute to UN peacekeeping. We are appreciative of the efforts undertaken by the Department in the case of the United Nations Stabilisation Mission in Haiti and look forward to an equally pro-active approach by DPI and continued DPI-DPKO collaboration in the United Nations Missions in the Sudan and the Democratic Republic of the Congo.

Mr. Chairman,

We are pleased to note that the reorientation exercise launched within the Department in 2002 is now complete and a transformed DPI with a sharper focus, with the target audiences defined and the tools well in place, is serving the rest of the UN system well. We shall endeavour through this Committee to ensure that the DPI is made stronger and more effective as it attempts to spread the message of the United Nations in all parts of the world.

Thank you, Mr. Chairman.



689. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN at the informal thematic consultations of the General Assembly on Report of the Secretary-General entitled "In larger freedom: towards development, security and human rights for all".

New York, April 22, 2005.

Mr. Facilitator,

We welcome the opportunity to exchange views with other delegations on Cluster II: "Freedom from fear" of the report of the Secretary-General during the second round of the informal thematic consultations.

The Charter established an effective and comprehensive system of

security comprising the pacific settlement of disputes of Chapter VI; "action with respect to threats to the peace, breaches of the peace and acts of aggression" of Chapter VII; regional arrangements of Chapter VIII; and the "inherent right of individual or collective self-defence" in Article 51. The Secretary General rightly says that "implementation" is "all too often contested." The reason is the use of force beyond this framework. For instance, Article 2 (7) has an exception for Chapter VII cases; therefore, the Security Council is sometimes tempted to stretch "endangering peace" which attracts Chapter VI into a "threat to peace" in order to apply Chapter VII; also it is not clear that the non-enforcement provisions of Chapter VII are also an exception to the provisions of Article 2 (7). Similarly, the framers of Article 51 never intended to cover anything beyond its text, a view supported by the International Court of Justice.

The second main difficulty that has led to the "all too often contested" implementation is a dominant balance of forces that is no longer perceived to be legitimate. In this sense, countries are looking to a freedom from fear that would include freedom from fear of those who wish to promote freedom from fear, in short, for the kind of freedom that the great Indian poet Tagore described: "where the mind is without fear and the head is held high". Till this dominant balance of forces is transformed there can be no real reform because anything not acceptable to it would not be allowed to proceed: therefore, changing the correlation of power is the heart of any change; only such a change can make possible optimal decisions widely accepted which would constrain the use of force.

Mr. Facilitator,

The imaginary fear of the strong of a threat from the weak and of the rich of a threat from the poor is perhaps the most curious feature of our time. We concur with the Secretary General that we have to take a holistic approach and certainly, at some level, everything is connected with everything; poverty, epidemics and disease and environmental disasters have to be fought directly and in themselves, not because they threaten the security of the rich and strong. The recent Tsunami disaster showed that copy book maxims are true: human solidarity can overcome problems; the best use of swords is to beat them into ploughshares: the best use of military assets was search and rescue, relief, immediate health care and the restoration of communications.

There is a clear connection between public health and equitable international economic policies: low tax - GDP ratios (an imperative of liberalization and globalization) reduce public investment in health and TRIPS could increase cost of medicines. The best means of promoting public health and even tackling bio-terror is a decentralized public health system, an interesting reaffirmation of the role of the State and the nature of public goods.

Mr. Facilitator,

India attaches great importance to multilateral co-operation on counterterrorism. We welcome the comprehensive strategy against terrorism which stands on the five pillars identified in the Secretary-General's report. We support his initiative to move the counter-terrorism agenda in the United Nations through the adoption of legal instruments and their effective implementation. The importance of the recent statements by the Secretary-General in Madrid and Algiers, where he referred to the weakness of the international legal framework on terrorism and called upon Member States to expeditiously conclude both the Convention for the suppression of acts of nuclear terrorism and the Comprehensive convention on international terrorism, cannot be overemphasised.

We also welcome the call by the Secretary-General to conclude a Comprehensive Convention on Terrorism during the sixtieth session of the General Assembly. The first task was accomplished partially on April 13 when the General Assembly adopted the International Convention for the Suppression of Acts of Nuclear Terrorism which we trust will enter into force early. This was an enterprise that had been in the making for more than seven years. We hope that Member States would demonstrate the same resolve and flexibility in concluding the Comprehensive Convention on International Terrorism. The problem is not actually a definitional problem. The definitions placed before us are already subsumed in the Convention on the Suppression of the Financing of Terrorism: a complete definition is in Articles 2(a) and 2(b) of this Convention. In the draft Comprehensive Convention on International Terrorism Article 2 on definition was agreed upon: the issue is the need for consensus on Article 18 on the exception or exclusion clause.

Mr. Facilitator,

The Secretary General has rightly given equal importance to

disarmament and non-proliferation and emphasized irreversibility. We would add that universal, non-discriminatory and multilaterally negotiated disarmament in a time bound manner is an imperative. A model is the Chemical Weapons Convention in which India played an active role. Incidentally, India is the only declared Chemical Weapons possessor State which has met all the destruction time lines of the Convention and is committed to eliminate this entire class of WMDs. India is also a party to the 1972 Biological and Toxin Weapons Convention and is in favour of multilateral efforts to strengthen its norms and provisions for adequate and effective mechanism while providing for increased international cooperation in transfers and exchanges of biological materials and technologies for peaceful purposes. In the case of the Fissile Material Cut-Off Treaty, India remains committed to participating constructively in negotiations for a nondiscriminatory, multilateral and internationally and effectively verifiable treaty:

the absence of any reference to its being verifiable would alter the Shannon mandate and make negotiations much more difficult. India's defacto moratorium on further nuclear tests also remains in place. India welcomes the proposal on a legally binding instrument on the Marking and Tracing of Small Arms and Light Weapons.

India supports the efforts to prevent the proliferation of WMD means of delivery and related materials, equipment and technologies. India wishes to see the norms against proliferation of missiles strengthened through transparent multilateral agreements on the basis of equal and undiminished security, that also ensures that civilian space related applications are not adversely affected. India has actively participated in the work of the two UN Panels of Governmental Experts on Missiles. India has suffered from the adverse effects of proliferation, including in the area of missiles, and is determined to maintain its exemplary record in safeguarding materials and sensitive technologies. Strict controls on export of nuclear and missile related materials and technologies have been in place and will remain.

Two issues remain important in this context. In the first place, disarmament and proliferation must be pursued to create a new system of comprehensive global security, for which strengthening of the United Nations system is essential. This objective cannot be served in the best manner possible through exclusivist, ad-hoc and club-based approaches, but through

multilateral engagement and negotiations. An inclusive approach will allow for the subject to be dealt with in a comprehensive manner. It will also validate and reinforce the commitment of the larger number of States that would participate in such a process. In the second place, proliferation is proliferation whether the offending State is an ally or an adversary, whether the offending individual is from a State helping counter-terrorism or not. Any other approach would seriously undermine UNSC Resolution 1540. As we have had occasion to say before, attention to supply is as important as that to demand.

Mr. Facilitator,

On peace-keeping, we support the recommendation of the Secretary-General to improve deployment options, including the creation of a strategic reserve and a standing civilian police capacity, two initiatives that have been designed to optimise rapid and effective deployment. The standing civilian police capacity has been proposed to facilitate a rapid police start up capability as well as to assist in reform and restructuring of local police services, as appropriate.

We recognise the need to engage with the Secretariat and Member States to understand and refine the concept further, particularly the logistical and financial aspects of the proposal.

On the proposal to establish an inter-locking system of peacekeeping capacities, we agree on the need to share information and analysis between regional missions but not on asset-sharing and sharing of personnel of one mission in the region with another, as each operation is *sui generis*, facing unique challenges, with different mandates and resources. Moreover, the practices and provisions of the Charter also do not foresee such a requirement. We further believe that the synergy or the inter-locking of capacities between the United Nations and regional organisations and arrangements must not substitute and should not be at the expense of United Nations peacekeeping which through its universality and experience occupies a niche that is perhaps unparalleled. We fully subscribe to the notion that peacekeepers and peace builders have a solemn responsibility to adhere to the rule of law, especially to respect the rights of the people whom it is their mission to help. We have maintained consistently that peacekeepers can lay a vital foundation in the task of peacebuilding if they embody, in their outlook and behaviour, a long-standing democratic and multicultural tradition.

Mr. Facilitator,

The Secretary-General has endorsed the recommendations of the Highlevel Panel for the setting up of a Peace-Building Commission, as well as the establishment of a Peace-Building Support Office within the UN Secretariat, to assist countries with the transition from conflict to lasting peace. He has proposed that the Commission report to the Security Council and the Economic and Social Council in sequence, depending on the phase of the conflict, and whether or not the situation in a particular case is the subject of consideration by the Security Council, and whether it has since moved to the category of 'countries emerging from conflict'. We look forward to working together with other Member States on the proposal for the setting up of a Peace-Building Commission in the light of the more detailed proposal received recently from the Secretary-General that reflects the Secretariat's thinking on the functions and powers of this proposed body and the lines of authority, responsibility and reporting so as to facilitate further inter-governmental consideration of the matter. As a major troop contributor to UN peacekeeping operations and as an emerging non-traditional donor for reconstruction activities, India has a keen interest in the idea and is keen to ensure that we get the concept and its implementation right from the very beginning of the exercise.

Thank you, Mr. Facilitator



690. Statement by A. Gopinathan, Acting Permanent Representative at the UN at the informal thematic consultations of the General Assembly on the report of the Secretary-General entitled "In larger freedom: towards development, security and human rights for all".

New York, April 26, 2005.

Mr. Facilitator,

We thank the Facilitators for convening these consultations and affording Member States the opportunity for an exchange of views on Cluster I: "Freedom from want" of the March 21 report of the UN Secretary-General. We associate ourselves with the statement made by Jamaica on behalf of the Group of 77.

Mr. Facilitator,

Development needs to be recognised as an end in itself, without having to view it through the prism of security. Without addressing the development problems besetting the vast majority of UN membership, security in its full sense cannot be achieved either. Countries must necessarily determine their own priorities based on their individual situations. Developing countries must have the "policy space" to determine their development plans and priorities. There can be no 'one size fits all' approach.

Enhancing international co-operation for advancing the development agenda is imperative. The development agenda needs to be an inclusive one, going beyond the Millennium Development Goals [MDGs] and the Monterrey Consensus, and encompassing the outcomes of other major UN conferences and summits. We recall here the outcomes of the meetings held in Brussels, Almaty and Mauritius which sought to address respectively the specific concerns of the least developed, the landlocked and the Small Island Developing States, recognised as groups of vulnerable countries needing special attention. These conferences were held after the Millennium Summit, and in our view, the 2005 summit should pay particular attention to the effective implementation of these outcomes through a clear agreement and express commitments on provision of financial resources, technology requirements and capacity-building.

The report of the Secretary-General fails, in our view, to delineate the role of the UN and the UN system in advancing the development agenda, particularly in the areas of trade, money and finance, debt and technology. The report appears to have resigned itself to the idea that decisions on these issues are made elsewhere and that the UN has no role to play in this respect. We disagree respectfully. We believe that the 2005 summit provides us with an opportunity to restore the primacy of the UN in dealing with the development agenda and that it should lead to an outcome that demonstrates how the UN has retrieved the development agenda and regained the role of providing policy guidance to other bodies dealing with development issues. Further, the outcome should outline how different parts of the UN system can contribute to advancing the development agenda.

The second South Summit being held in Doha, Qatar, in June will help the developing countries to advance, in a spirit of cooperation and solidarity, the development agenda in the UN and the UN system. The report fails to make any reference to systemic issues with regard to the architecture of the international financial, monetary and trade institutions and their decision-making structures and procedures. There is no mention of the action required to redress structural inequities in terms of systemic imbalances in the areas of trade, finance and money and technology that severely impact development prospects of developing countries. There is an urgent need to address the democratic deficit in the governance of Bretton Woods Institutions to enhance legitimacy, transparency, accountability and ownership of the decision-making process. Progress since Monterrey has been limited to, and distracted by, peripheral issues. This needs to be approached through structural reforms aimed at redistribution of the voting power amongst member countries. Decisions to enhance the participation and voice of the developing countries in international institutions must be made and implemented sooner rather than later.

Mr. Facilitator,

Inadequacy of resources is the single-most constraint faced by the developing countries in their struggle for the eradication of poverty and raising the standards of living of their people. Mobilising domestic resources, efforts at attracting foreign investments and diversifying exports and other means have so far proved insufficient in comparison to their resource-requirements for achieving MDGs and their own development targets.

We endorse the report's recommendation that developed countries that have not already done so establish time-tables to achieve the target of 0.7% of GNI for ODA by no later than 2015. An increasing portion of the recent increase in ODA has taken the form of expenditures on emergency relief in countries deemed critical for reasons of security. The attention to geopolitically significant countries seems to be crowding out assistance to countries that need the most critical help in achieving the MDGs. We sympathise with the situations in the post-conflict societies.

However, the resources needed to meet the MDGs have to be over and above such aid to post-conflict situations. As aid can be instrumental in expediting the process of capacity-building, absorptive capacity of recipient countries should not be cited as a reason for slowing the scaling up of aid. There is also inadequate attention paid in the report to the need for improvement in physical and social infrastructure in the developing countries, critical for overall growth, for which ODA is essential.

There is an urgent need for all development partners to fulfil their respective commitments towards the MDGs. It is perhaps the absence of sufficient progress in infusing adequate amounts of additional ODA to meet the MDGs that has prompted the search for various innovative financing mechanisms. There may be merit in front-loading the aid flow for attainment of MDGs. However, it should be ensured that after the front-loading period, ODA does not fall below a pre-committed level. The resources from innovative sources of financing should be treated as additional resources, complementing ODA, and not as a substitute for it.

Mr. Facilitator,

If ODA would help achieving the MDGs, trade would help in sustaining the gains. Achievement of MDGs critically hinges on realisation of the development dimensions of the Doha Round of trade talks. A major reform of agricultural trade and subsidies policies in developed countries is needed so that agriculture can become an engine of growth and poverty reduction in developing countries.

Liberalisation of services sectors to facilitate exports and removal of service provision restrictions will be essential to enable countries to reap the benefits of their comparative advantages. Rigid visa restrictions continue to obstruct the free movement of people in services from the developing

countries. Developing countries need greater protection for their biodiversity resources and fair recompense for their exploitation by others.

We welcome the Secretary-General's call to conclude the Doha Round of trade negotiations by 2006. Improved market access, including lowering of tariff and non-tariff barriers, for all exports from developing countries to the markets of developed countries will remain central to such outcomes, and, therefore, to the achievement of the MDGs. The September summit must provide political guidance to the Hong Kong Ministerial meeting of WTO with regard to meeting aspirations of the developing countries.

We support the extension of further debt relief to HIPCs and low income countries facing problems of inadequate resources for financing MDGs. Debt restructuring for low income countries in general, and HIPCs in particular, could look beyond debt write-offs by focussing on stepping up investment opportunities in these countries. We need to recognise that the issue of debt sustainability for low income countries is important, given their higher vulnerability to shocks and high dependence on official concessional aid. Further, debt sustainability should not be only for the purpose of attaining the MDGs.

Mr. Facilitator,

The goal of protection of the global environment needs to be balanced with the development aspirations of the developing nations. Equitable access to natural resources is seriously hampered by the unsustainable patterns of production and consumption in the developed world. The developed countries must shoulder the main responsibility for preventing and reversing environmental degradation. It is equally important to provide access to developing countries to environmentally sound technologies on preferential terms and to support developing countries in human and institutional capacity building to adapt and induct these technologies.

The Secretary-General has ignored the central objective of the Framework Convention on Climate Change in his recommendations with regard to the phenomenon. Nowhere does the Convention recognise a category of "large emitters". We find the creation of such a category by the Secretary-General to be unwarranted. The Convention lays down that equity will be a fundamental consideration in dealing with climate change. It would not be possible for us to consider or entertain recommendations from the

Secretary-General that are not informed and underpinned by equity and other principles enshrined in the Convention.

Having suffered the devastating Tsunami last December, we support the need for worldwide early warning systems for all natural hazards, especially in the Indian Ocean region. And given the level of existing capacity in many developing countries, we would recommend that the focus should be on the creation and enhancement of national capacities where necessary.

Recent advances in science and technology provide unparalleled instrumentality to combat age-old problems of poverty, ignorance and disease.

Access to both new and appropriate technologies and to the cutting-edge areas of science and technology needs to be expanded greatly amongst developing countries. Advances in bio-technology can promote revolutionary changes in agriculture and healthcare systems. New and renewable sources of energy can provide a more secure energy environment. Similarly, imaginative strategies of human resources development based on information and communication technology can greatly accelerate the pace of social and economic development. We, therefore, support the report's recommendations on enhanced access to technology and its transfer from the developed to the developing countries.

We support the Secretary-General's recommendation for launching a series of "quick win" initiatives. These initiatives could be considered indicative and the list could be modified appropriately and in accordance with the priorities of individual countries. We would emphasise that such initiatives should be in keeping with national priorities and that the process must necessarily have national ownership. We agree on the need for the international community to urgently provide resources for an expanded and comprehensive response to HIV/AIDS. However, malaria can kill faster than HIV/AIDS, while tuberculosis and other diseases continue to be deadly killers in many developing countries. As pointed out by the Secretary-General in his recent reports, the proportion of total population assistance for family planning services has suffered a serious decline from 1995 to 2003. While endorsing the need for increased funding for HIV/AIDS, we would emphasise the need to recognise the continuing need for funding for other deadly diseases as well as for family planning and reproductive health services.

Given India's long-term association with and commitment to Africa, we welcome the clear recognition given by the Secretary-General on the need to urgently address the special needs of Africa. On our part, we have undertaken several initiatives in partnership with Africa. We hope to see commitments for concrete and implementable decisions in support of the priorities of NEPAD. The September summit should result in substantial outcomes that would enable Member States from sub-Saharan Africa to accelerate their efforts in achieving MDGs and their own development goals. The international community owes this to Africa and should not fail to meet this challenge.

Mr. Facilitator,

The September summit gives us an opportunity to put development back on the centre-stage of the global agenda, restore the primacy of the UN in dealing with development and endow the UN with the authority to guide the work of other institutions in the areas of trade, money and finance, debt and technology. Let us rise to the occasion and demonstrate that we are up to these tasks.

Thank you, Mr. Facilitator.



691. Inputs by India at the Informal Meeting of the 1566 working group of the Security Council on Terrorism.

New York, April 27, 2005.

Mr. Chairman,

It has been over six months since the adoption of landmark Security Council resolution 1566. We are therefore pleased to learn that the Working Group established under this resolution will be commencing its work in accordance with its mandate under the resolution.

We wish to thank you, Mr. Chairman, for providing the general membership this opportunity to share its views and suggestions on areas relevant to the resolution. This is indeed in keeping with the norms of transparency and openness that the Security Council should constantly

seek to adhere to in its dealings with the wider membership in the interest of overall efficiency and cooperation.

Mr. Chairman,

India welcomed the adoption of resolution 1566, which in our view represented a logical extension of the existing multilateral cooperation on counter-terrorism. My delegation's views on the issue of terrorism are well known.

India condemns terrorism in all its forms and manifestations. It believes that terrorism cannot be justified under any circumstances, be they political, philosophical, ideological, racial, ethnic, religious or other similar nature. Our position that multilateral action on counter-terrorism should extend to groups known to perpetuate terrorism has been enunciated in previous statements we have made in the Security Council. We have also conveyed that the Security Council should facilitate more effective measures to deny safe haven to terrorists, including by bringing them to justice through prosecution or extradition. Other such practical measures, as has been identified in the resolution, should include freezing of terrorist financial assets, prevention of their movement through the territories of Member States and the prevention of supply to them of all types of arms and related material. In our view, the United Nations should not leave unchallenged or unaddressed claims of moral, political and diplomatic support for terrorism. Resolution 1566 addresses, in part or full, much of what we have advocated as a progression of Security Council action beyond existing resolutions. Resolution 1566 also called upon Member States to cooperate fully in expeditiously adopting the draft Comprehensive Convention on International Terrorism (CCIT) and the draft International Convention for the Suppression of Acts of Nuclear Terrorism. The first task was accomplished partially on April 13, 2005 when the General Assembly adopted the International Convention for the Suppression of Acts of Nuclear Terrorism, which we trust will enter into force early. We hope that Member States would demonstrate the same resolve and flexibility in concluding the Comprehensive Convention on International Terrorism. India attaches great importance to multilateral co-operation on counterterrorism. We welcome the comprehensive strategy against terrorism which stands on the five pillars identified in the Secretary-General's report. We support his initiative to move the counter-terrorism agenda in the United Nations through the adoption of

legal instruments and their effective implementation. The importance of the recent statements by the Secretary-General in Madrid and Algiers, where he referred to the weakness of the international legal framework on terrorism cannot be overemphasised. We also welcome the call by the Secretary-General to conclude the Comprehensive Convention on Terrorism during the sixtieth session of the General Assembly.

Mr. Chairman,

The unanimous Security Council vote in favour of Resolution 1566 was a positive sign of the commitment of the international community to remain steadfast in the global fight against terror. It takes forward the ideas first enunciated in resolutions 1267, 1373 and 1540. In doing so, it also draws attention to the need to move forward in the General Assembly's consideration of this important issue. We do hope the Working Group established pursuant to resolution 1566 would earnestly set out to reach an understanding on the way to move the Council's counter-terrorism agenda forward.

In India's view early conclusion of the Council's resolve to act on pending issues, such as international cooperation on a global identification of individuals, groups or entities involved in or associated with terrorist activities; their extradition and prosecution; and the establishment of a mechanism to compensate the victims of terrorism, would go a long way in surmounting some of the obstacles and double-standards in the current international fight against terrorism.

We are confident, that under your able guidance and stewardship, the Working Group will reach an early and satisfactory conclusion.

Thank you, Mr. Chairman.



692. Statement by A. Gopinathan, Acting Permanent Representative at the UN at the informal thematic consultations of the General Assembly on the Report of the Secretary-General entitled "In larger freedom: towards development, security and human rights for all".

New York, April 28, 2005.

Mr. Facilitator,

We thank the Facilitators for convening these consultations and affording Member States the opportunity for an exchange of views on Cluster IV: "Imperative for collective action: Strengthening the United Nations" of the March 21 report of the Secretary-General. The Secretary-General has proposed several measures for strengthening of the United Nations, both the inter-governmental machinery and the Secretariat support structure. He has described these as being necessary to strengthen the relevance, effectiveness and accountability of the Organisation. He has included the wider network of agencies, funds and programmes that make up the UN system in his proposed measures. While acknowledging that more needs to be done to make the Organisation more transparent and accountable, he admits that recent failures have only underlined this imperative. He has pledged to make the procedures and management of the UN Secretariat more open to inter-governmental scrutiny. At the same time, he has called for the Office of the Secretary-General to be empowered to manage the Organisation with greater autonomy and flexibility. According to him, this would enable the Member States to demand even greater transparency and accountability.

We agree with the Secretary-General on the imperative of collective action for strengthening the United Nations. We recognise the importance of institutional reforms within the Organisation and the UN system as a whole, in order to equip them to fulfil the tasks that would be entrusted to them consequent to the decisions that we take in the run-up to the September summit and at the summit itself. We perceive the coming months as providing an important opportunity for the UN membership to accomplish these tasks. We shall work together with other Member States to reinvigorate the substantive agenda of the UN so as to deal with the challenges of the new

century, respond to the needs and priorities of the Member States, particularly the developing countries that constitute the vast majority of its membership. Such re-invigoration should extend to the institutional reforms as well. As we have said before, without addressing the vulnerabilities and insecurities of the vast majority, arising mainly from extreme poverty and deprivation, we cannot provide security in its true sense to all. We shall look at the questions relating to institutional changes from this perspective.

Mr. Facilitator,

As the only universal principal organ of the United Nations, ensuring an efficient and effective General Assembly responsive to the concerns of its membership is of central importance to all of us. We have been engaged for some years in the process of revitalisation of the General Assembly to restore its role and authority in accordance with the Charter of the United Nations. The measures undertaken already in this direction have, regrettably, neither addressed fully the concerns of Member States nor reversed the decline in the Assembly's prestige, nor achieved the objective of enhancing the Assembly's pre-eminent role and authority.

The General Assembly can only be revitalised through action - by reasserting control over the long-term questions of peace and security, including disarmament and arms control. Only by its action in elaborating international law, overseeing Secretariat-restructuring, setting the global development agenda, and giving practical content to oversight and accountability can the General Assembly be truly revitalised. This revitalisation cannot be accomplished through a mere rationalisation of agenda and meetings, or by transferring agenda items from one weak body to another.

The revitalisation of the General Assembly is necessary to guide and direct the other organs of the system and thereby fully exercise functions envisaged under Article 10 of the Charter. The weakness of the General Assembly and the strength of the Security Council cannot, and should not, be perceived as a zero sum game. The weakness of the General Assembly erodes the legitimacy and support for the Security Council: conversely, a strong General Assembly implies a strong Security Council.

Mr. Facilitator,

We would be supportive of the Economic and the Social Council

playing its due role in promoting awareness and giving policy guidelines in the area of development cooperation. The central question is one of political will - in allowing ECOSOC to discharge its responsibility, and not so much its mandate. Article 55(a) and (b) of the UN Charter seeks to promote higher standards of living, full employment and conditions of economic and social progress and development and solutions of international economic, social, health and related problems. We support, in particular, measures that would give practical effect to the provisions of the Charter in the coordination, policy guidance and oversight functions of ECOSOC with regard to its own functional commissions and subsidiary organs and funds and programmes and above all, the Specialised Agencies of the UN system.

Mr. Facilitator,

We have received further details from the Secretary-General with regard to the proposal on the Human Rights Council, including the 'terms of reference', functions and competence. As we have said earlier, it is difficult to conceive the proposed Human Rights Council escaping the politicisation that seems inevitable in this enterprise. We are not quite convinced that the contribution of the proposed Council to law making and the nature of the proposed peer review would benefit from small size: pluralism and enlargement reinforce effectiveness through greater legitimacy. We share the Secretary-General's view on the need for the Commission to move away from the present tradition of those wishing to criticise others and those wishing to escape and forestall such criticism. The challenge lies in designing a body that would accomplish this in practice. We remain committed to engaging with delegations further on this.

Mr. Facilitator,

We look forward to working together with other Member States on the proposal for the setting up of a Peace-Building Commission in the light of the more detailed proposal received recently from the Secretary-General that reflects the Secretariat's thinking on the functions and powers of this proposed body and the lines of authority, responsibility and reporting so as to facilitate further inter-governmental consideration of the matter. As a major troop contributor to UN peacekeeping operations and as an emerging non-traditional donor for reconstruction activities, India has a keen interest in the idea and is keen to ensure that we get the concept and its implementation to be right from the very beginning of the exercise.

Mr. Facilitator,

The need to assist vulnerable populations remains as relevant today as ever. We hope to see greater political commitment from the international community to the needs of the vulnerable populations through action on the Secretary-General's recommendation calling for new funding arrangements to ensure that emergency funding is available immediately as the need arises and evenly for all emergencies. The recent Tsunami crisis demonstrated the urgent need for new and flexible funding arrangements that would substantially reduce the response time of the United Nations to humanitarian crises. We believe that the UN's humanitarian response is best implemented in collaboration with, and in assistance of, the national effort.

The proposal of the Secretary-General on the governance of the global environment, in our view, requires further analysis and clarity. The elements of international environmental governance identified at Cartagena and debated at the Johannesburg Summit demonstrated the need to examine the legal as well as system-wide implications of any proposal or structure for environmental governance. Primacy needs to be given to sustainable development, taking into account the economic, social and environmental aspects and the imperative of poverty-eradication, in the discussions on the issue of global environmental governance.

Mr. Facilitator,

We welcome the thrust of the proposals of the Secretary-General for Secretariat reform. In particular, we would like to congratulate the Secretary-General for responding to calls from the General Assembly for greater transparency and accountability of the Secretariat. We agree that it is necessary to develop the oversight tools by which Member States can hold program managers truly accountable for their performance. At the same time, it is understandable that many of the reform proposals will have to be further elaborated in order for Member States to consider them in detail.

Mr. Facilitator,

On the expansion of the Security Council, the Secretary-General has reiterated his view that no reform of the United Nations would be complete without reform of the Security Council. The Security Council must

be broadly representative of the international community as a whole, as well as of the geopolitical realities in today's world. The Secretary-General urges Member States to consider the two options, Model A and Model B, proposed in the report of the High-Level Panel, or any other viable proposals in terms of size and balance that have emerged on the basis of either model. Member States should agree to take a decision on this important issue before the Summit in September 2005. It would be 'very preferable', to quote the SG, for Member States to take this vital decision by consensus, but if they are unable to reach consensus, this must not become an excuse for postponing action. While presenting his report to the General Assembly, the Secretary-General reiterated that this important issue has been discussed for too long and that he believes that Member States should agree to take a decision on it - preferably by consensus, but in any case, before the Summit. He has articulated these very same views repeatedly in his subsequent pronouncements and writings, including the most recent ones.

India has declared her readiness to shoulder the responsibilities of permanent membership in an expanded Security Council. We have been working with Brazil, Germany and Japan towards this end, and have announced our willingness to work with Africa in this regard. The discussions in the General Assembly over the past eight-nine months have demonstrated a clear support of the majority of States for reform and expansion of the Security Council by increasing the number of permanent members and nonpermanent seats and by including developing and developed countries as permanent members in an expanded Council. We hope to pursue the expansion of the Security Council with all Member States as we move towards the 2005 Summit in September. Expansion in both categories, the inclusion of developing and developed countries as new permanent members, improvement in working methods to enhance transparency and inclusiveness, accountability reinforced through review and equal responsibilities and obligations between existing and new permanent members, must form the core elements of any reform package that we support. This, we believe, is where the mainstream opinion lies and what the general membership will support.

Those who oppose expansion of the Security Council are, in effect, opposing the inclusion of developing countries as permanent members in an expanded Security Council. Nowhere is this better illustrated than in

respect of Africa. For the first sixty years of its existence, the Security Council has not had a permanent member from among the Member States of the African Union. African States have unanimously called for two permanent members from their region to be included in an expanded Council. Other developing countries have supported this call. The conclusion is inescapable that those making concerted attempts to postpone Security Council expansion in the name of 'no artificial deadlines' and chasing the mirage of an unattainable unanimity are working against the interests of developing countries, including, in particular, Africa, and are denying them their rightful place in the permanent membership of an expanded Council.

As we have said before, partial or piecemeal solutions are no solutions, since they do not address the core problem, which is an unbalanced representation. We do not support the expansion of only nonpermanent seats. Nor do we subscribe to the creation of a third tier of extendable non-permanent seats. It is only by reforming and restructuring the Security Council by bringing in developing countries from Asia, Africa and Latin America and new players from the developed world capable of global responsibility and giving them the continuity and institutional memory of permanent membership will we be able to transform the balance of forces in favour of the political and economic concerns of the vast majority.

Mr Facilitator,

The Secretary-General has called on Member States repeatedly in recent weeks to make 2005 a year of bold decisions. We need to respond positively to this call. More important, we need to make full use of the opportunity thrown up by the report of the Secretary-General to make the changes in the UN and the UN system, both in substance and structurally, that are necessary to make them responsive to the needs, interests,

priorities and concerns of the general membership. These changes should enable the Organisation and the international community to address the vulnerabilities and insecurities of all. They should help us put development back on the centre-stage of the global agenda, restore the UN's primacy in dealing with development and endow the UN with the authority to guide the work of other institutions and organisations dealing with aspects of development. The September summit and its preparations should result in substantial outcomes enabling Member States from sub-Saharan Africa to accelerate their efforts in achieving the Millennium Development Goals and

their own development goals. Institutional reform must necessarily encompass expansion of the Security Council by inclusion of new permanent members from developing and developed countries and additional nonpermanent seats and improvements in its working methods.

The time available with us is extremely limited. This underlines the importance for all of us to work together and reach early decisions on different aspects of the matrix of issues that we are called upon to deal with. The imperative of ensuring that the 2005 Summit is a resounding success for all Member States, particularly the developing countries, demands no less from all of us. We hope to work together with other delegations in this endeavour. We, on our part, assure you of our full cooperation with other Member States, the President of the General Assembly and the Facilitators appointed by him for various Clusters, as we move ahead towards the September summit.

Thank you, Mr. Facilitator.



693. Intervention by Rao Inderjit Singh, Minister of State for External Affairs on 'Poverty, Development and Democratic Governance, at the third ministerial meeting of the Community of Democracies in Chile.

Santiago, April 29, 2005.

Mr. Facilitator,

It is a privilege to speak on this interesting theme, especially from the perspective of a country that is both developing and democratic. India has demonstrated that stable, long-term economic growth can be successfully realized alongside a thriving democracy, even while confronting the challenge of poverty and equitable distribution. Indeed, the Indian experience corroborates the inter-linkages and shows that implementation of proactive development policies and economic reforms, when coupled with a liberal democratic polity, leads to overall stability and growth.

Today there is a far greater consensus than ever before on the need for democracy, not only as an ideal, but also as the most efficient tool of

development. Our experience in India, and elsewhere, has shown that democracy and development are complementary to, and reinforce each other. Both of them find their genesis in the aspirations of individuals and in the rights they enjoy. History has clearly demonstrated that cases where democracy and development have been divorced from each other have mostly ended unsuccessfully. Wherever they have co-existed, they have flourished in unison, enabling both concepts to take durable roots. Political democracy, in order to consolidate itself, needs to be complemented by economic and social measures that encourage development. The principles of democracy and the rule of law are equally relevant for ensuring economic progress and human development.

Together, democracy and development also contribute to the consolidation of peace. It is accepted that democracies are by nature not predisposed to war and tend to settle their disputes through peaceful means. Democracy is a factor of peace and therefore encourages development, which in itself tends to further promote and consolidate international peace. Democracy, development and peace are mutually reinforcing and supportive.

This is not to deny that economic development and progress cannot take place under authoritarian and totalitarian rule. However, for any developmental process to be viable and sustainable in the long term, it needs to be 'owned' by the people who have a stake in it and be reflective of their aspirations. This is only possible in a democratic political system. No durable development can take place in an atmosphere of arbitrariness or in the absence of rule of law.

It is telling that when countries of the world are surveyed as a whole, democracies have performed better in terms of economic development than non-democratic regimes. Moreover, in addition to simply growing at a faster rate, democracies have outperformed totalitarian regimes in the consistency of their growth. It is therefore a matter of immense satisfaction that the last few years have seen an expansion in the number of democracies all over the world. This bodes well for international development, progress and peace.

However, in today's globalized world, external factors have become critical in determining the success or failure of national efforts to eliminate poverty, attain sustainable development and good governance. Several international forums, including the Monterrey Conference on Financing for Development have recognized this inter-linkage and reaffirmed the necessity

of good governance at the international level through democratization, transparency and accountability in international economic and financial decision-making, especially the full and effective participation of developing countries in these processes.

The Indian experience has amply demonstrated that economic development and sustainable growth can co-exist with a healthy and vibrant democracy and a transparent and accountable political system. India has been fortunate to experience a consistently high rate of economic and social growth for over a decade and has been sharing its experiences with several countries in the region and outside. We would be happy to continue to share our international responsibilities in promoting the twin objectives of democracy and all round sustainable development.



694. Intervention by Rao Inderjit Singh, Minister of State for External Affairs on 'The State of Democracy in Asia-Oceania at the third ministerial meeting of the Community of Democracies in Chile.

Santiago, April 29, 2005.

Democracy, as a political framework, continues to remain unrivalled. It is indeed the only basis, as we know today, of a just and civilized society, international stability, development and peace. The recent Tsunami tragedy in our own region once again demonstrated visibly that democracies are obligated to be responsive and accountable to their people, in times of crisis, in a way that an authoritarian regime would not be. It is therefore a matter of immense satisfaction that there has been a growing momentum towards democratization in the world, including in our own region. To quote only a few recent examples, the successful adoption of a Constitution and holding of Presidential elections amidst daunting challenges in Afghanistan, demonstrated not only the courage of the Afghan people, but also the keen desire for freedom and democracy of oppressed people, everywhere. Similarly, the world has welcomed the election of a transitional Government in Iraq and is looking forward to the establishment of a constitutionally elected permanent Iraqi Government by the end of the year. In Timor Leste, turmoil

has given way to stability and the transition to independence and self-governance is well on its way. For its part, India has been contributing extensively towards consolidating the process of democratic transition in Afghanistan, including by committing \$ 500 million towards its reconstruction. Similarly, we have committed \$ 30 million for Iraqi reconstruction and have offered electoral assistance and training to Iraq.

Unfortunately, there are still some centres where military dictatorship and authoritarian rule continue to hold sway in our own region. There have also been regrettable setbacks. India is deeply concerned about the dismissal of the multiparty government and imposition of emergency in Nepal on 1 February 2005. We firmly believe that the challenges being faced by Nepal can be addressed effectively only on the basis of a national consensus between the two constitutional forces, namely, the political parties and the constitutional monarchy. India joins the international community in calling upon His Majesty's Government of Nepal for an early restoration of multiparty democracy.

Though our situations are different in terms of historical legacy and contemporary reality, the countries of the region share common challenges and concerns. In particular, the danger posed by state-sponsored, cross-border and other forms of terrorism is a major challenge to our shared democratic values and to the existence of democracy itself. The events since 11 September, 2001 and the targeting of open societies like India, Indonesia and Sri Lanka, have shown that democracies are particularly vulnerable - the protection of human rights, freedom of expression, movement etc. - and converts them into weaknesses. Democracy in the Asia-Oceania region would be severely hampered unless it is free from terrorism, extremism and other threats. Freedom of speech cannot flow from the barrel of a gun; democracy cannot be nurtured in an environment that negates the basis of democracy and human rights.

No democracy is ideal. The environment in which a democracy exists is constantly evolving, requiring a system that is flexible, yet resilient. Sharing our experiences offers the best way to realize the goal of our community to help emerging democracies improve their own systems and processes. In this context, lessons learned from India's own democratic experience, going back to over 3,000 years ago, may be relevant. India's unique experiment with *Panchayat Raj*, where major financial and administrative powers have

been delegated to the elected bodies at the village and town level has empowered people and made the concept of 'grassroots democracy' a reality. The inclusiveness of Indian democracy in a complex multi-ethnic and multi-religious society, where minorities, whether linguistic or religious, enthusiastically participate in elections, and feel an inherent part of the democratic enterprise, could be usefully simulated in welding pluralistic societies elsewhere.

Apart from the support of fellow democratic nations, the international community and forums like this Community in particular, are critical in facilitating and providing sustained support to challenging transitions towards democracy. India sees a significant role for the Community of Democracies in this regard through dialogue and cooperation, in a spirit of mutual respect and equality.

India has always been deeply wedded to the ideals and the spirit of democracy, and welcomes, in all humility, an opportunity to share its long experience with democracy.



695. Remarks by India at the informal session on Strengthening of ECOSOC

May 5, 2005.

We thank the President for convening this informal session on strengthening of ECOSOC. We welcome this opportunity to exchange views with other delegations on this important subject, especially as we have just concluded discussions on Cluster IV issues on institutional reform in the March 21 report of the Secretary-General in the informal sessions of the General Assembly.

We are grateful to the Secretariat for making available the advance unedited version of the report of the UN Secretary-General which, as you pointed out in your introductory remarks, seeks to amplify his own recommendations with regard to ECOSOC in his March 21 report. We hope to be in a position to comment in detail on these recommendations, especially those contained in Section III on the role of the UN system in paragraphs 89-108 of the report, at a later date.

We perceive the strengthening of ECOSOC to be an integral part of the comprehensive process of UN reform. As we strive towards progress on other aspects of UN reform, it is important that we try to achieve significant progress in this area as well.

We would appreciate a clear enunciation of how ECOSOC can fulfil functions envisaged for it under the Charter, particularly Chapters IX and X, especially Articles 55, 56, 60, 62, 64 and 66. We would like, in particular, to seek clarifications on practical ways of how ECOSOC can be empowered to perform the oversight, coordination and policy-guidance functions envisaged under the Charter with respect to its own functional commissions and subsidiary organs, UN Funds and Programmes, and the Specialised Agencies of the UN system.

We would have liked greater clarity on practical suggestions or operational recommendations for giving effect to the objectives outlined in the non-paper on functions of ECOSOC. For example, it would have been useful to deal with some practical suggestions on ways of promoting 'coherent and coordinated approaches' and 'consolidating links between UN and the Bretton Woods Institutions and WTO'; 'giving greater focus to implementation and follow-up' of the Millennium Declaration; 'maintaining international attention and support' for post-conflict peace-building; and strengthening the role of ECOSOC as the 'central mechanism for system-wide coordination'.

To give another example, practical suggestions on how the Chief Executive Board could be invited to play a pro-active role in the work of ECOSOC would have been useful for our discussions. In this context, it is not quite clear as to how the inter-governmental interface of the Council with the CEB as a whole is proposed to be achieved.

Given the current system of consideration of agenda items, it is not clear as to how the Council can hope to 'pro-actively stimulate debate on topical issues'.

The purpose of consolidating links between the UN and the Bretton Woods Institutions and WTO should be in order to influence their activities in favour of advancing the development agenda and to enable ECOSOC, and the UN in general, to re-emerge as the most influential forum in support of development.

On the peace and development linkage, the objectives appear to parallel closely those of the proposed Peace Building Commission. It would be important to avoid duplication of these discussions and to ensure that the discussions here and those held elsewhere on the Peace Building Commission are dovetailed appropriately.

The discussions on modifying the present segmented organisation of work into a more flexible calendar should take full account of the discussions that took place during 2004 in the plenary and the Second, Third and Fifth Committees on re-organising the work of the General Assembly. It may be recalled here that the idea of shifting sessions of some of the Main Committees from the main part was discussed extensively but was found impracticable. Given the calendar of meetings of the subsidiary bodies of both the General Assembly and ECOSOC, there may not be much value in embarking on a similar exercise in respect of ECOSOC at this stage. However, we are open to considering constructive suggestions from other delegations in this regard.

Similar considerations would apply to holding of different segments separately. In particular, we wonder about the desirability of holding the operational activities segment in conjunction with the annual meeting of the UNDP/UNFPA Board. This is because the operational activities segment is, at least in theory, expected to deal with policy aspects that relate to the activities of all Funds and Programmes whereas the Executive Boards, again at least in theory, are expected to deal with operational and management questions of individual Funds and Programmes, rather than policy.

We would be somewhat sceptical about the advisability of agreeing on a multi-year thematic programme on humanitarian segment; in our view, the Council should retain a degree of flexibility in order to address situations of emergencies caused by natural disasters or other complex humanitarian emergencies which, by their very nature, are unpredictable.

We would support strongly the need for timely submission of reports by the Secretariat. Poor quality of reports and inordinate delays in their presentation, have prevented meaningful discussions and robust outcomes in case of several meetings.

There has been considerable discussion on the need to avoid duplication in the work of the ECOSOC with that of the Second Committee

of the General Assembly. We would have been happier if there were a similar discussion on the need to avoid duplication in work of the ECOSOC, particularly the Commission on Human rights which is at present a functional commission of ECOSOC, with the work of the Third Committee of the General Assembly.

We remain committed to engaging with other delegations and would like to assure you of our co-operation in further consideration of this topic.



696. Statement by Ambassador Nirupam Sen , Permanent Representative at the UN on Post-conflict Peace-Building at Security Council.

New York, May 26, 2005.

Mr. President,

We congratulate you on your exemplary handling of the presidency of the Security Council for the month of May. I also thank you for having scheduled this open debate on Post-Conflict Peace-Building. We welcome this opportunity to participate in this debate to discuss the current policy and institutional and financial challenges in post-conflict peace-building without duplicating the General Assembly's deliberations on the possible modalities of a Peacebuilding Commission. However, any consideration of the issue, in the context of the role of the United Nations in post-conflict peace-building today, cannot realistically be divorced from the proposal of the Secretary-General.

India's approach towards post-conflict peace-building would be determined by its role as a major troop contributor to United Nations peace-keeping operations and as an emerging non-traditional donor for reconstruction activities. As such, India has a keen interest in the issue, as also in ensuring that the concept and implementation of a Peacebuilding Commission are well-defined from the very inception of the process.

In our view, the Secretary-General's decision to restrict the scope of the Peace- Building Commission's work to post-conflict peace-building, as

opposed to the wider mandate beginning with structural prevention as proposed by the High-level Panel, is rational and pragmatic. The main advantages of a narrower, better-defined area of activity are that it would allow the Peace-Building Commission to concentrate its resources, both personnel and financial, in an optimal way. The broad canvas approach suggested by the High-level Panel would have meant stretching scarce resources. Each case taken up by the Peace-Building Commission in accordance with the High-level Panel's suggestion would have involved significantly greater time and resources. Moreover, structural prevention has already been addressed in numerous reports of the Secretary-General and in resolutions of the General Assembly and the Security Council. We also agree with the Secretary-General that the Peace-Building Commission should not have an early warning or monitoring function.

We believe that the main functions of the proposed Peace-building Commission should be to ensure greater coordination between the international community and donor countries on the one hand, and the national authorities on the other; to promote a sense of ownership among national authorities for the policies and programmes that are supported by the international community and donor countries; and, to provide assured funding for the activities that are agreed upon as priorities by the national authorities and the international community.

We need to ensure that the Peace-building Commission does not load the mandate of peace-keeping missions with the projects and programmes outlined by the Security Council. Such an approach may have a deleterious effect on the main purpose and objective of the peace-keeping mission. In addition, it may pose budgeting problems related to peace-keeping missions and the regular budget as, for example, in the budgeting for Disarmament, Demobilisation, and Reintegration (DDR) programmes. The proposal relating to "core membership" in the Peace-building Commission is not clear in terms of the proportion of representatives from the various interest groups (Security Council, ECOSOC, donors, troop contributors) identified by the Secretary-General. Moreover, it is implicit, though not explicit, that members will be individuals nominated by their respective governments - as in the case of the Commissioners of UNMOVIC for example. No mechanism to determine the Chairs of the core bodies or country-specific meetings has been specified.

The denomination "core membership" would also appear somewhat misleading. The "core membership" will change continuously as non-permanent members leave the Security Council and elected members leave ECOSOC after completing their tenures. It is, therefore, not clear how these members would provide the institutional knowledge and continuity that would be required in the Peace-building Commission for long-term reconstruction and rebuilding in its core setting when its members change every year, whereas the country remains on the agenda of the Security Council for several years. It is also not clear what the criteria would be for selection of members from both the Security Council and the ECOSOC since the core membership is limited to between 15 and 20. Similarly, clarification on who would make the decision on the participation of countries in the Peace-building Commission would be required. Similar clarification would be required about ensuring the participation of leading Troop Contributing Countries and major donors.

The institutional structure of the Peace-building Commission needs to be defined clearly. The Secretary-General has proposed that the Peace-building Commission advise the Security Council and the ECOSOC in sequence, depending on the state of recovery. While this is functionally tenable, it does not take into account the fact that this important body would be answerable only to organisations with a select membership but not to the general membership. It is essential that the Peace-building Commission be made accountable to the General Assembly. This can be done without prejudice to its normal functioning but through periodic reports in which it must seek the guidance and approval of the General Assembly on policy issues.

Criteria on the basis of which a particular country under the Peace-building Commission would move from the Security Council to ECOSOC would need to be formulated. For example, the transition could begin from the time the Council starts a review of the force size of a peace-keeping mission. Ideally, the General Assembly could decide the transition through a review. It is somewhat unrealistic to set the transition from the Security Council to ECOSOC only after the situation in a country is no longer on the agenda of the Security Council, as a country remains at times on the agenda of the Security Council for several years before it is removed on a no-objection basis.

Consequently, ECOSOC and thereby the General Assembly may never have a long-term development role that the proposed Commission envisages and thus undermine the Peace-building Commission's mandate for long-term reconstruction and development. Furthermore, this criterion could be perceived as making long-term reconstruction and development aspects hostage to the priorities of the Security Council. We await the outcome of Secretary-General's consultations on the participation of international financial institutions. Time and again, the best intentions and programmes for peace-building have been undermined by lack of funds. The programmes are often based on commitments made by donor countries that do not translate into actual cash.

The Standing Fund for Peace-building potentially offers a solution. The mechanism for sustainability of the Standing Fund as well as accountability for the contributions made to the Fund need to be outlined carefully and agreed upon. It is, however, not clear whether the Standing Fund for Peace-building is solely meant to cover the "gaps" in funding or would become the regular source for financing for peace-building projects. In so far as the mandate of the proposed Peace-Building Commission would include help to ensure predictable financing for early recovery activities and to provide an overview of planned financing for peace-building through assessed, voluntary and standing funding mechanisms, it would assist in identifying shortfalls and gaps. The proposed Standing Fund for Peace-building could then be utilised to address such shortfalls. This would help avoid situations such as seen recently where the Secretariat has sought provisions from assessed contributions to cover areas which have been traditionally in the domain of voluntary funding. The Peace-building Support Office should draw as far as possible on expertise and capacities already available in the Secretariat as also elsewhere in the UN system since it would have many functions that are already being carried out, but perhaps not in a coordinated way. Similarly, there should not be any duplication of capacities with regard to the Rule of Law unit which will form part of the Peace-building Support Office. It is important to highlight the role of the proposed Commission in the context of proposing "overall priorities and ensure that those priorities reflect country-based realities" and to avoid repeating and reinforcing existing paradigm of externally formulating policies and programmes for countries transitioning from conflict to postconflict peace-building. The "country-based realities" component is perhaps the most important aspect of setting priority goals in order to avoid the same

sequencing structure - the international community setting the goals which cannot be implemented owing to a lack of understanding of the ground realities. It is, therefore, important to utilise the expertise of national authorities, in whatever nascent form it is available, to set the priorities which the international community can support. In some cases, these priorities also have to be appropriately modified. This should be perceived as an essential part of the process of capacity-building as well.

The Peace-Building Commission is required to perform the vital role of ensuring system-wide coherence. Any peace-building effort involves a number of actors, including representatives of the UN system, bilateral donors, troop contributors, regional organisations, international financial institutions etc. However, in any post-conflict situation, there are a very large number of NGOs and relief agencies involved as well.

One of the main drawbacks cited in post-conflict peace-building situations is the lack of coordination among the plethora of NGOs that compete for scarce resources, inevitably overlap in terms of areas of activity and divert local assets such as interpreters, trained personnel etc. for their own projects sometimes by paying extravagant sums, thus driving up the market rents and salaries. Perhaps the Commission should be mandated to attempt to provide a systemic coherence to all such post-conflict peace-building activities.

Mr. President,

In view of the limited time at our disposal, I am confining my statement to a few suggestions on the concept of a Peace-building Commission in the United Nations. Undoubtedly, this issue will be discussed at some length at the General Assembly, where different views on the modalities of the proposal will be aired. However, there is little doubt that the Secretary-General's proposal has sought to fill what he has described as "a gaping hole in the UN's institutional machinery". There is also little doubt about the imperative need and utility of such a body. India is fully supportive of the proposal and will be happy to engage constructively in discussions in the General Assembly on its establishment.

Thank you, Mr. President.



697. Statement by Lal Dingliana, Joint Secretary (Technical Cooperation) in the Ministry of External Affairs on South-South Cooperation for Development at the Fourteenth Session of the High-Level Committee on South-South Cooperation.

New York, May 31, 2005.

Mr. President,

We congratulate you and other members of the Bureau on your election and thank the previous Bureau for the work done over the last two years. We associate ourselves with the statement delivered by Jamaica on behalf of the Group of 77.

The relevance of South-South Cooperation for developing countries has been increasing over the years as countries move towards market based economies in an era of globalization that has not brought the expected economic benefits to a large number of developing countries. Cooperation among developing countries is necessary for mitigating the adverse effects of international economic policies and to achieve the positive potential that these forces of integration have in them for the developing world.

Despite the continuing challenges, capacities in the South have risen dramatically in the last two decades and now there are hardly any goods or services required in the South, which cannot be sourced from the South itself. It is no surprise that developing countries' share of the total world trade in the last two decades has risen and that intra- South trade is growing. Developing countries also continue to emerge as international investors. The report on the Review of progress in the implementation of the Buenos Aires Plan of Action indicates that FDI flows from India too have risen rapidly in recent years, about half of which are in other developing countries. Developing countries need to continue working together to overcome their shared vulnerabilities and disadvantages, and to maximise the benefit that could accrue to them from the process of globalisation.

Two-thirds of developing countries depend on commodities for half their export earnings. From 1990 to 2002, the loss in income to developing countries from the steady decline in commodity prices, equals the subsidies paid by the OECD countries to their farmers and is five times their ODA.

India substantially increased its commodity imports from the rest of the developing world in the last 15 years. This helped commodity markets. India has also written off the debt of seven highly indebted poor countries. Moreover, India extends significant amounts of concessional loans and grants to other developing countries. Between 1998 and 2002, India extended lines of credit of over US\$ 350 million to other developing countries.

In recognition of the special needs of Africa, and, even more, our conviction in South-south cooperation India is cooperating with NEPAD with a commitment of US\$ 200 million. The Techno-Economic Approach for Africa-India Movement (TEAM-9) initiative involving a concessional credit of US\$ 500 million and technology transfer to West Africa is another facet of this commitment. India has also started work on a connectivity mission in Africa. It will support tele-education, tele-medicine, e-commerce, e-governance, infotainment, resource mapping and meteorological services. It will be in position within the next three years and all the African nations participating in this network would be able to reap the full benefits.

The UNDP Administrator's reports testify to India's commitment to South-South Cooperation, counting India amongst the pivotal countries devoted to South-South Cooperation. Sharing with other developing countries our capabilities and cooperating with them in developing their own economies, has been an integral part of India's foreign policy since its very inception. The Indian Technical and Economic Cooperation, better known as ITEC, which was launched in 1964, has provided over US\$ 2.5 billion worth of technical assistance to other developing countries, covering 156 countries. The recent initiatives launched together with Brazil and South Africa, more popularly known as the IBSA initiative, is again a manifestation of our commitment to South-South Cooperation.

Countries in the South need skills and expertise in high technology areas and for expanding mechanisms for transferring experiences in areas of strength, particularly development of human resources. In the past two decades scientific and technical competence has grown substantially in countries of the South to create significant complementarities between them. What is required is the will and the investments to put these complementarities to productive use. Apart from the traditional sectors, in frontier areas of information technology, satellite and remote sensing technology, radio astronomy, solar and wind energy, and herbal medicines

as well as bio-technology, India has strengths which it is willing to put at the service of developing countries.

Indeed many of our training institutions and research laboratories are already doing so. Under various programmes, more than 5000 representatives of developing countries are provided training in India every year in over 250 institutions, including universities. India has also set up projects relating to vocational training in several partner countries in Asia and Africa for promoting Information Technology and Small and Medium enterprises, the sectors in which India has significant strengths. India is also increasingly being requested to assist in the agricultural field either with improved seeds or with agricultural expertise or recently, with actual translocation of farmers to demonstrate their techniques for growing rice and other staple crops. As the foremost milk producer in the world, the Indian dairy industry has of late become a focus of interest under our South-South cooperation programmes. The number of Indian experts deputed to various developing countries is on the increase.

Periodic disasters, often debilitating for developing countries, cause damage to economy and immense human suffering. With the colossal Tsunami disaster just a few months behind us, we can not afford to forget the necessity for efforts to generate disaster awareness and creation and enhancement of national capacities in this area. In the aftermath of that disaster, in the midst of our own tragedy, Indian Air Force planes and Indian Navy ships devoted themselves to delivering assistance to other Tsunami-hit countries. The report, too, recalls this effort as another instance of South-South cooperation. We need further focus on the implementation of the Barbados Programme of Action and Mauritius Declaration and the Strategy Document, keeping in mind the situation and vulnerabilities of Small Island Developing States (SIDS).

We have noted that the UN system has also increased its use of southern expertise and found southern solutions to be more cost-effective and often the most logical option. The decision of the UNDP Executive Board in September 2004, to include South-South Cooperation among the drivers of development effectiveness in the Multi-Year Funding Framework is timely. We would encourage the UN system, particularly the UNDP and the Special Unit for South-South Cooperation to continue efforts to promote South-South Cooperation. Sustained efforts should also be made by UNDP to promote trilateral or triangular cooperation by bringing in the resources

of the donors as a support to initiatives of cooperation amongst southern countries. Multilateral financial institutions should be similarly encouraged. Donor countries too, could contribute to South-South Cooperation by using local and regional resources for development cooperation projects in developing countries. We look forward to the Second South Summit in Doha to provide an opportunity for developing countries to enhance their cooperative efforts.

As we make efforts for the achievement of the Millennium Development Goals, we must aim at enhancing the overall prosperity and well-being in the South through the creation and strengthening of capacity within the South.

Thank You, Mr. President.



698. Statement by E. Ahamed, Minister of State for External Affairs, at the Meeting of Foreign Ministers of G-77, Second South Summit.

Doha (Qatar), June 13, 2005.

Mr. Chairman,

Thank you very much for this opportunity for me to articulate India's views on the issues raised under the development cluster in this preparatory process for the forthcoming high-level event in New York in September this year. This dialogue ought to help the developing countries advance the development agenda at the UN and in the UN system in a spirit of cooperation and solidarity.

Since I am speaking at this forum for the first time, may I, at the outset, express our appreciation and gratitude to our hosts, His Highness the Emir and the State of Qatar, who have spared no effort in facilitating our endeavors.

Mr. Chairman,

We believe that countries must necessarily determine their own

priorities based on their individual situations. Developing countries must have the "policy space" to determine their development plans and priorities. However, a much more intense degree of cooperation at the international level coupled with an increased flow of resources to the developing countries is an absolute imperative. In this context, we welcome the call for developed countries to achieve the ODA target of 0.7% of GNP by no later than 2015.

We also welcome the call for the successful conclusion of the Doha Round of Trade negotiations, emphasizing the need to keep the development dimension in sharp focus in the outcome.

We support the extension of further debt relief to HIPCs (Highly indebted poor countries) and low income countries facing problems of inadequate resources even for financing MDGs (Millennium Development Goals). Debt restructuring for low income countries, in general, and HIPCs, in particular, should look beyond debt write-offs by focusing on stepping up investment opportunities in these countries.

Mr. Chairman,

The development agenda needs to be an inclusive one, going beyond the Millennium Development Goals (MDGs) and the Monterrey Consensus, and encompassing the outcomes of other major UN conferences and summits. The concerns of the least developed, the landlocked and the Small Island Developing States, recognized as groups of vulnerable countries needing special attention, can hardly be overemphasized. We welcome the recommendations to urgently address their needs and challenges.

And, given India's long-term association with and commitment to Africa, we want to see concrete and implementable decisions in support of the priorities of NEPAD with a substantial outcome for the special needs of Africa.

We are disappointed that the role of the UN and the UN system in advancing the development agenda particularly in the areas of trade, money and finance, debt and technology has not been addressed adequately in the draft outcome document. We believe that the 2005 summit provides us with an opportunity to restore the primacy of the UN in dealing with the development agenda and that it should lead to an outcome that demonstrates how the UN has retrieved the development agenda and regained the role of providing policy guidance to other bodies dealing with development issues.

We would be supportive of the Economic and the Social Council playing its due role in promoting awareness and giving policy guidelines in the area of development cooperation. The central question is one of political will - in allowing ECOSOC to discharge its responsibility, and not so much its mandate. We support, in particular, measures that would give practical effect to the provisions of the Charter in the coordination, policy guidance and oversight functions of ECOSOC with regard to its own functional commissions and subsidiary organs and funds and programmes and above all, the Specialized Agencies of the UN system.

Mr. Chairman,

Primacy needs to be given to sustainable development and the imperative of poverty eradication in the discussions on the issue of global environmental governance.

Equitable access to natural resources is seriously hampered by the unsustainable patterns of production and consumption in the developed world, who must shoulder the main responsibility for preventing and reversing environmental degradation. It is equally important to provide access to developing countries to environmentally sound technologies on preferential terms and to support developing countries in human and institutional capacity building to adapt and induct these technologies. The draft outcome document however, goes beyond the central objective of the Framework Convention on Climate Change and it will not be possible for us to consider or entertain recommendations that are not informed and underpinned by equity and other principles enshrined in the Convention. Similarly, in the context of Convention on Biological Diversity, urgent action needs to be taken to grant developing countries greater protection for their genetic resources and traditional knowledge and fair recompense for their exploitation by others.

Having suffered the devastating Tsunami last December, we support the need for worldwide early warning systems for all natural hazards, especially in the Indian Ocean region. And given the level of existing capacity in many developing countries, we would recommend that the focus should be on the creation and enhancement of national capacities where necessary.

Mr. Chairman,

Recent advances in science and technology provide unparalleled

instrumentality to combat age-old problems of poverty, ignorance and disease. Access to both new and appropriate technologies and to the cutting edge areas of science and technology need to be enhanced greatly among developing countries.

We agree on the need for the international community to urgently provide resources for an expanded and comprehensive response to HIV/AIDS, while recognizing the continuing imperative for funding the combat against other deadly diseases as well as for reproductive health issues.

The September summit gives us an opportunity to put development back on the centrestage of the global agenda, restore the primacy of the UN in dealing with development and endow the UN with the authority to guide the work of other institutions in the areas of trade, money and finance, debt and technology.

Thank you Mr. Chairman.



699. Statement by E. Ahmed, Minister of State for External Affairs at the Special Meeting of NAM Foreign Ministers, Second South Summit.

Dhoa (Qatar), June 13, 2005.

Mr. Chairman,

We welcome this opportunity to review substantive preparations for the High-level Plenary Meeting of the UN General Assembly in New York in September this year. The Non-Aligned Movement has taken a keen interest over the years in the reform of the United Nations. It is, therefore, timely, appropriate and essential for the Movement to identify common approaches to the principal issues involved.

The desirability of UN Member States, in particular, members of our Movement, securing a comprehensive and balanced outcome from the meeting of the Heads of State and Government in September cannot be over-emphasised. At stake is not only the need for reform that would enable the UN to better address existing and emerging global security concerns,

but a new development agenda intended to address the most pressing social and economic needs of the vast majority of the poor and underprivileged. The second South Summit, for which we are here, will help developing countries to advance in a spirit of solidarity, the development agenda in the UN and the UN system. Its outcome would be an important reference point for developing countries.

Mr. Chairman,

The central challenge for the vast majority of our Movement continues to be one of development, the eradication of mass poverty and the development of social infrastructure, especially education and public health. Globalisation has highlighted the widening economic disparities among nations. We can no longer afford to just say that we are being marginalised by globalisation. Instead, we need to take practical measures to multiply its positive features and minimise its negative ones. We need to act collectively in dealing with issues relating to the international trading and financial architecture, in enhancing our voice and participation in the decision-making. If we are able to do so, globalisation can lead to a win-win situation for all of us.

To address the insecurities facing the vast majority of developing countries, the United Nations will have to regain its stellar role in setting the international economic agenda and bringing back development to the centre of the global discourse. We need a level playing field. Concerted efforts will have to be made by the international community now to ensure that the Millennium Development Goals do not remain a chimera of promises and countries, particularly in sub-Saharan Africa, would be able to achieve them. We hope that firm commitments are made and time-tables set for reaching the 0.7 percent Official Development Assistance target. It is also important to ensure the successful outcome of the Doha Round of trade talks, which have critical development dimensions. India believes that debt sustainability for low-income and heavily Indebted Poor Countries (HIPC) and the needs of least developed countries and Small Island Developing States (SIDS) are very important aspects of the global development agenda. We are also convinced that an expanded and comprehensive response is required to fight HIV/AIDS and other deadly diseases, including concerted action on reproductive health issues.

We welcome the efforts being made both in the United Nations and

elsewhere in urgently addressing the special needs of Africa. On our part, we have launched the Techno-Economic Approach for Africa-India Movement (Team-9) Initiative involving a concessional credit of US \$ 500 million and technology transfer to West Africa. We are also actively cooperating with, and assisting NEPAD on several developmental projects.

Mr. Chairman,

The single-most defining characteristic of the twenty-first century is the inter-connectedness of the numerous threats and challenges we confront, whether in the field of development or security. The Tsunami tragedy once again brought home to all, the value of collective action and international solidarity.

Terrorism, which undermines the very foundations of freedom and democracy, is one such challenge where we need to strengthen our resolve and efforts to form a truly effective global response. Recently, the UN General Assembly adopted the Convention for Suppression of Acts of Nuclear Terrorism. The adoption of the Convention was in no small measure a result of our collective resolve and efforts. It was also a demonstration of our ability to tackle the challenges that face us in the twenty-first century. We need to continue our pursuit of collective action in addressing issues of common concern by reinvigorating our efforts to conclude negotiations on the Comprehensive Convention on international terrorism, as recommended by the UN Secretary General in his report, "In Larger Freedom".

Mr. Chairman,

There is today a window of unique opportunity to make real changes in the international system, leading to long-awaited UN reform, including institutional reforms related to the UN General Assembly, the Economic and Social Council and the UN Security Council. The central policy role of the General Assembly has to be restored; ECOSOC needs to be strengthened; and the Security Council needs to be expanded in both permanent and non-permanent categories to make it more representative and to ensure that there is greater legitimacy to its decisions. UN reform will not be complete without Security Council reform, bringing it in line with today's geo-political realities.

This year is historic because it also provides an opportunity to move

forward on the UN's agenda on general and complete disarmament. Our Movement has long advocated the need to simultaneously address the issues of disarmament and non-proliferation of weapons of mass destruction in a comprehensive fashion.

Speaking in the UN General Assembly last year, the Prime Minister of India, Dr. Manmohan Singh, had said, "All of us have to grow out of the comfort of the predictable, discard the constraining habits of thought and move forward with confidence to meet the demands of the present and the future. Each of us has to be prepared to take on new obligations and larger responsibilities relevant to the needs of our times." Indeed, the time has come to take a bold look at the changes that are imperative for streamlining the international system, and the courage to translate them into action.

Mr. Chairman,

The outcome document, which we will adopt today, has been the result of negotiations conducted by the Chair. We fully appreciate the effort to produce this document and to consolidate the Movement's views wherever this is possible. We also recognise that it may not always be possible to reach common agreement on all issues, particularly one as complex as UN reform. Many Member States would have core national concerns, which may not be adequately addressed or otherwise reflected in the outcome document, but would nevertheless have to be pursued. We are nonetheless happy to note that the areas of convergence are considerable and should allow the Movement to adequately reflect and project the views of the developing world in the run-up to the High-level Plenary Meeting in September.

In conclusion, we would like to express our deep appreciation of the prominent role played by Malaysia, under your eminent stewardship, in taking forward the Movement's positions on the critical issues before us.

Thank you, Mr. Chairman.



700. Statement by E. Ahmed, Minister of State for External Affairs and Head of the Indian Delegation at the Meeting of the Heads of State and Government of the Group of 77 Second South Summit.

Doha (Qatar), June 16, 2005.

Mr. Chairman,

Your Majesties, Your Highness, Your Excellencies, Distinguished Heads of Delegation and delegates,

At the outset, Mr. Chairman, allow me to thank you for this opportunity and to express my appreciation for your stewardship of this Summit.

On behalf of my delegation and on my own behalf, it is my privilege to thank His Highness the Emir of Qatar and his government for their generous hospitality and excellent organization in hosting the Second South Summit in Doha. For me personally, it is a special honour to be asked by my Prime Minister to head the Indian delegation for this important gathering in the State of Qatar, with which I have been fortunate to be associated in many capacities. I also commend Qatar on its noble initiative to establish the South Fund on Development and Human Circumstances. India is happy to lend its support by pledging a contribution of US dollar two million to the Fund, for development projects by India in the countries of the South.

Mr. Chairman,

In the context of the forthcoming high-level event in New York, this Summit gives us the opportunity to restore development as the center-piece of the global agenda, with primacy of the UN. Our deliberations have underscored the need for the development agenda to be inclusive, going beyond the Millennium Development Goals and the Monterrey Consensus. I would particularly emphasise the need to implement the outcomes of the Brussels Programme of Action, the Almaty Plan and the Mauritius Strategy. As regards SIDS, India, which itself has more than a thousand islands, has constantly exchanged here experiences in meeting their special challenges through capacity building, training and knowledge-sharing. We are to organize a workshop on key vulnerabilities of SIDS in New Delhi very shortly.

Mr. Chairman,

As I stand here, I recall India's first Prime Minister Pandit Jawaharlal Nehru, whose vision and leadership were key to the birth of Afro-Asian cooperation through Bandung and solidarity of the developing world through the Non-Aligned Movement, it is not a coincidence, Mr., Chairman, that our present Prime Minister Dr. Manmohan Singh was the Member Secretary of the South-South Commission which was headed by H.E. Dr. Julius Nyerere. From its first Prime Minister to the present one, from its birth as an independent nation to its confident strides on the international stage, in development and in difficulties, India has remained steadfast in its commitment and efforts to advance the collective cause of the South.

Mr. Chairman,

India's economic reforms begun during Mr. Rajiv Gandhi's Prime Ministership in the 1980s and given a fillip by Dr. Manmohan Singh when he was Finance Minister in the early 1990s, have resulted in India's enhanced trade and economic cooperation with other countries of the South. Today, around 35% of India's foreign trade is with developing countries; and this does not include hydrocarbons. India imported last year about USD 20 billion worth of petroleum - all of it from the South, and exported USD 5 billion of processed petroleum products also to developing countries. This beneficial interrelationship is bound to become stronger with India's consistent and high economic growth rate expected to continue in the foreseeable future. Most of India's largest joint ventures abroad are with developing countries - in fact, with our hosts in Qatar, in neighboring Oman, in Sudan and in Viet Nam, to name a few.

Mr. Chairman,

We place great store on our special initiatives for developing countries, including the developing countries of Africa, and have been sharing our experience in information technology, biotechnology, pharmaceuticals, medical sciences, renewable and non conventional energy and remote sensing, among others. We are especially happy to put together a connectivity mission for hospitals and educational institutions in 53 African countries using fiber optic and a dedicated satellite. India's TEAM-9 initiative with our friends in West Africa, assistance to NEPAD, the Trilateral Commission of India, Brazil and South Africa [IBSA], as well as the Trust Fund within the UNDP for poverty alleviation are other examples of the fact

that South-South cooperation is not a mere phrase for my country, but a way of life, a philosophy for growth and development together.

We the developing countries have a common fight against poverty and disease. As part of our contribution, India is considering earmarking USD 1.5 billion for lines of credit to be used to help Africa fight the battle against HIV/AIDS and other pandemics, we hope to encourage our pharmaceutical companies to establish production facilities in Africa to cater to the increasing requirement for affordable medicines, especially for antiretroviral drugs.

In our partnership with other developing countries, we have paid special attention to capacity building. As early as 1964, India established the Indian Technical and economic cooperation [ITEC] programme which has provided over US \$2.5 billion worth of technical assistance to other developing countries. More than 5000 representatives of developing countries are annually providing training in over 250 institutions under different scholarship programmes.

Mr. Chairman,

The recent natural disasters caused by the Tsunami and Hurricane Ivan have brought home to all the need for international cooperation at such times. In the spirit of South-South cooperation, India helped form a continuous bridge of search and rescue, medical supplies and mobile hospitals, relief and rehabilitation assistance to affected countries despite huge loss of life and economic devastation faced by us.

Mr. Chairman,

India has written off the debts of all the highly indebted poor countries and is happy to note that the G-8 has now also accepted the same approach. This, we feel, is of critical importance for the economic stability and prospects of the highly indebted and the least developed among us. Debt payments and worsening terms of trade can neutralize all efficiency gains from good governance and sound macro-economic management, and reduce resources available for education and public health. That is why it is so important that debt write-offs have to be accompanied by better terms of trade, greater access to markets and investment inflows. The same logic governs the need to ensure meeting 0.7% ODA target and supplementing this with innovative financial flows.

Standing here, I recall that it is the same venue where just a few years back we had successfully defended the interest of the developing countries at the Doha Ministerial Meeting of the WTO. The solidarity of the South is essential for making the WTO Doha Round development oriented in reality and not just in rhetoric for truly safeguarding the special and differential treatment and flexibilities of developing countries. Hence, also the importance of using all possibilities in TRIPZ to fashion patent laws that ensure continuing low prices of essential drugs. Moreover, we need to step up the volume of intra-South bilateral and regional trade, investment and technology transfer. Mutually beneficial trade preferences among developing countries can promote economic growth and development. Therefore, the third round of the Global System of Trade Preferences among developing countries holds significant promise.

As in the case of international trade, financial and monetary organizations, so also in the currently strongest body of the United Nations, it is only the permanent membership of developing countries as a group in solidarity, which can contribute effectively to realizing the political and economic agenda of the developing world. This would increase policy space and participation for all and the change in the correlation of forces would strengthen the General Assembly and ECOSOC. Such a change can help in reestablishing the pivotal role of the United Nations, where the UN sets the agenda and the Bretton Woods and other institutions follow. Such permanent membership of developing countries would ensure optimal reform: that human rights are not politically misused; that laws are not made against interest of developing countries; that responsibility to protect is not used for interfering.

Mr. Chairman,

We take this opportunity to re-dedicate ourselves, in the spirit of South-South solidarity, to further enhance our cooperation with our partners in developing countries. I am reminded of the words of Pandit Nehru, " Weneed tolaunch a decisive assault against poverty ...we, again, need to stand side by side to fight diseases that continue to afflict our people. We today, at more than any other time, need to stand together..."

Thank you, Mr. Chairman.



701. Statement by E. Ahamed, Minister of State for External Affairs & Head of Delegation at the High-Level Dialogue of the General Assembly on Financing for Development.

New York, June 27, 2005.

Mr. President,

We welcome this opportunity to participate in the High-level Dialogue of the General Assembly on Financing for Development. We have consistently held that the United Nations should have the pivotal role in setting the global development agenda, including in relation to trade, external debt, money and finance, and technology, and in providing political guidance to the work of the Specialised Agencies, including, in particular, the World Bank, the International Monetary Fund and the World Trade Organisation.

Mr. President,

The Monterrey consensus emphasises the role of the State in socio-economic development and the importance of public investment in this context. We believe that the role of the State should not be limited to providing a favourable macro-economic, legal and regulatory framework for private sector growth and for attracting investments from abroad. It needs to undertake substantial investment in human development sectors and in basic physical, social and institutional infrastructure.

There is urgent need for transforming the Monterrey consensus into concrete action. We welcome the recommendations of UN Secretary-General to establish fixed time-tables for developed countries to achieve the 0.7 percent target by 2015 at the latest, with an intermediate target of roughly doubling aid to 0.5 per cent for 2009, and to direct more aid to the least developed countries, as well as to make concrete commitments to improve the quality of aid.

The absence of substantial progress in infusing adequate amounts of additional Official Development Assistance [ODA] to meet the Millennium Development Goals [MDGs] has prompted exploration of various innovative financing mechanisms. It is a truism that enhanced rates of growth cannot be achieved without increasing the investment ratio and the marginal output capital ratio. In short, both finances and efficiency are required. The Sachs Report has clearly concluded that ODA levels cannot be increased

sufficiently, and sufficiently rapidly, to meet development needs, including the achievement of MDGs. Therefore, innovative financing is inevitable. Different proposals have been made to raise resources for development. These range from an international travel surcharge through a variant of the Tobin tax and allocation of developmental Special Drawing Rights [SDRs] to the most apparently popular, namely, an International Finance Facility [IFF] that would leverage the amount got by frontloading ODA in the money market, presumably through bonds. In any case, it would be important to ensure that ODA does not fall below a pre-committed level. These proposals for innovative mechanisms continue to face several challenges. In this context, we stress the need to ensure that new mechanisms and new sources should not lead to greater burdens on developing countries. Innovative financial mechanisms and innovative sources of financing should not impact adversely on the existing level of resource flows.

While ODA would help achieving the MDGs, trade would help in sustaining the gains. In this context, it is important to make the Doha Round of Trade talks development-oriented in reality and to bring the Round to a conclusion expeditiously. A major reform of agricultural trade and subsidies policies in developed countries is needed so that agriculture can become an engine of growth and poverty reduction in developing countries. Liberalisation of services sectors to facilitate exports and removal of service provision restrictions will be essential to enable countries to reap the benefits of their comparative advantages. Developing countries need greater protection for their biodiversity resources and fair recompense for its exploitation by others. It is time to bring down the barriers not just against trade but also the barriers to development erected in several industrial economies which deny opportunities for faster growth in developing countries. In the case of Non-Agricultural Market Access [NAMA], it is particularly important that any reduction formula adopted does not infringe the principle of special and differential treatment and the flexibilities available to developing countries in the July 2004 Framework Agreement. We welcome, in this context, UN Secretary-General's call to conclude the Doha Round of trade negotiations by 2006, as long as the outcome would give substance to the claim that this would be truly a 'development round'.

Mr. President,

Statistics from Sub-Saharan Africa demonstrate that debt-

constrained structural adjustment policies compounded the problem through decline in agricultural investment. It logically follows that any achievement of MDGs in a sustained manner, leading to real economic transformation, is hardly possible without a fundamental reform of international economic and monetary institutions. Democratic deficit in the governance of Bretten Woods Institutions needs to be addressed to enhance legitimacy, transparency, accountability and ownership of decision-making process. Since Monterrey, the progress has been limited to and distracted by peripheral issues which are not central to enhancement of 'voice' in decision-making. We would strongly urge gaining of momentum towards tackling the central structural issue of voting power. The need for greater voice and representation of the developing countries in the international financial institutions and the decision-making processes cannot be overemphasised. Good global economic governance is as important as good national governance for economic efficiency. We support the extension of further debt relief to Highly-Indebted Poor Countries [HIPCs] and low-income countries facing problems of inadequate resources for financing MDGs. This, we feel, is of critical importance for the economic stability and prospects of the highly indebted and the least developed among us. Debt payments and worsening terms of trade can neutralise all efficiency gains from good governance and sound macro-economic management, and reduce resources available for education and public health. That is why it is important that debt write-offs have to be accompanied by better terms of trade, greater access to markets and investment inflows. Further, debt sustainability should not be only for the purpose of attaining the MDGs.

Mr. President,

As in the case of international trade, financial and monetary organisations, so also in the currently strongest body of the United Nations, it is only the permanent membership of developing countries as a group in solidarity, which can contribute effectively to realising the political and economic agenda of the developing world. This would increase policy space and participation for all and the change in the co-relation of forces would strengthen the General Assembly and the Economic and Social Council. Such change can help in re-establishing the pivotal role of the United Nations, where the UN sets the agenda and BWIs and other institutions follow. The September event gives us the opportunity to restore development as the centre-piece of the global agenda with primacy of the United Nations.

Mr. President,

India recognises the need for an effective mechanism to assess the implementation of commitments and agreements reached at the Monterrey Conference. The annual meetings of the Economic and Social Council (ECOSOC) with the Bretton Woods institutions, World Trade Organisation and the United Nations Conference on Trade and Development should serve this purpose. The need for greater synergy between the annual meetings ECOSOC with the Bretton Woods Institutions and WTO and the UNCTAD on the one hand, and biennialised high-level meeting of the General Assembly on the other, is also recognised. But coherence between the UN and the Specialised Agencies is, by itself, not enough to accomplish this. For this reason, we are not convinced of the recommendation of UN Secretary-General to establish an executive committee of the ECOSOC to facilitate cooperation with multilateral institutions dealing with trade and finance. The UN has to not only play a predominant role in setting the direction, but in delineating and guiding the international macro-economic agenda.

Thank you, Mr. President.



702. Intervention by E. Ahamed, Minister of State for External Affairs & Head of Delegation at the Round Table on the Theme : 'Addressing Systemic Issues : Enhancing the Coherence and Consistency of the International Monetary, Financial and Trading Systems in support of development in the High-Level Dialogue of the General Assembly on Financing for Development.

New York, June 28, 2005.

Mr. Chairman,

At the outset, allow me to express my appreciation for your stewardship in guiding the deliberations on this important issue. We thank the UN Secretary General for his report entitled "Monterrey Consensus: status of implementation and tasks ahead", which we have read with interest.

Mr. Chairman,

The 'Financing for Development' process is among the major initiatives undertaken by the UN in recent years. It seeks to address the issue of making available finances on viable and predictable basis to the developing countries in their efforts towards development and eradication of poverty.

The Monterrey consensus of the International Conference on Financing for Development recognises that an international environment conducive to development is essential if developing countries are to achieve their development goals.

The Monterrey consensus itself represented a 'lowest common denominator' when compared to the projections of resource requirements made by the World Bank and other institutions in order to enable the developing countries to achieve the Millennium Development Goals. It should thus be viewed as a beginning, and not a final destination, of the journey that we have begun collectively.

There has been little progress in implementing many elements of the consensus. For example, since Monterrey, there has been little progress in implementing the agreement to enhance the participation of the developing countries in, and giving them a greater 'voice' in the decision-making processes of, international trade, financial and monetary institutions. It is extremely important, in our view, to address this question at a very early opportunity as it could have a direct and beneficial impact on the ability of developing countries to influence the multilateral trading and financial systems which do not always take their interests into account.

The institutional arrangements for decision-making in the international financial institutions still remain heavily weighted in favour of the developed countries. These imbalances which, in our view, represent a democratic deficit, should not be allowed to undermine the basic cooperative principles of the world economy. Progress has been limited to, and distracted by, peripheral issues.

Improving the governance structures in the international financial institutions and thus reducing the democratic deficit in their functioning need to be approached through a structural reform aimed at redistribution of the

voting power among member states. As agreed at Monterrey, we need to extend the discussion of voice and participation of developing countries in other policymaking bodies in financial and banking sectors. We agree with UN Secretary-General that time has come to initiate discussions on effecting the necessary changes in these institutions.

The debate on the global imbalances and its solutions has been continuing. These global imbalances, in our view, cannot be solved by independent or unilateral actions. It is also necessary, as highlighted by the Secretary-General in his report, that major countries recognise the impact of their macro-economic policies on all participants in the international economy and promote international cooperation to ensure an orderly winding down of all existing global imbalances. It is, therefore, important to give shape to a coordinated approach involving major global players and we recognise, in this context, the important role that IMF can, and should be encouraged to, play. During the last two years, there has been a paradigm shift in respect of both the focus of surveillance as well as the instruments of surveillance, reflecting the efforts of the IMF to meet the challenges of an increasingly integrated global economy. However, with regard to the strengthening of surveillance, despite possessing all available instruments, there are doubts about their effectiveness. It has been recognised that the origin of past financial crises was in the industrial countries and advanced financial centers. Much still remains to be done in improving the effectiveness and even-handedness of the Fund's bilateral surveillance across members. There is a growing body of opinion that the surveillance reports in the case of advanced economies remain rather weak. There is thus a need to recognise that while the role of Fund surveillance in programme countries is curative, in non-programme countries it is preventive.

The design of conditionality has given rise to the serious problems of proliferation, overload and intrusiveness with respect to national ownership of Fund/Bank-supported programmes in member countries. We believe that conditionality should not only be made consistent with its intended purpose, but should also be responsive to the institutional realities in member countries for respecting sovereign decision-making. The international community can avoid asking a sick man to demonstrate his fitness by carrying out a tough regimen of exercise.

Mr. Chairman,

The Monterrey consensus, in the context of systemic issues, stresses the importance of enhancing the coherence and consistency of the international monetary, financial and trading systems. We believe that development cannot be achieved with piecemeal and uncoordinated policies. Coherence brings together strategies to harness all our resources in a coordinated and purposeful effort that can be sustained well into the future. Complete policy coherence is neither theoretically conceivable nor practically feasible. It follows that realistic goals would be to remove the most obvious inconsistencies and try for greater coherence wherever a need for this is felt, by deepening the understanding of how different policies affect the development process, and by mobilising greater political consensus on the need for improving the way the decisionmaking procedures are organised.

Those affected must participate in such decision-making. Further, in the context of globalisation, there are at least four areas of interaction that impinge on development, namely, aid, trade, debt and investment. Governments are increasingly aware that their policies with respect to each of these affect the sum of their contribution to development efforts. Governments can either work on these synergistically, in favour of development, or at crosspurposes, thus negating any positive effects of their initiatives in a particular sphere. For the developing countries, the former is imperative.



703. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN in the Informal Meeting of the Plenary to exchange views on the president's Draft Outcome Document of the High-level Plenary Meeting of the General Assmby.

New York, July 1, 2005.

Mr. President,

We commend your efforts in conducting these open-ended and transparent consultations on the draft outcome document that you presented to us on June 3. We thank all the Facilitators for the considerable efforts that they have undertaken in the formulation of the set of proposals contained in the draft outcome document.

Mr. President,

We would reiterate that development needs to be recognised as an end in itself and not as a necessary adjunct to ensuring greater security. Without addressing the development problems besetting the vast majority of UN membership, security in its full sense cannot be achieved. We are, therefore, happy to note that the draft outcome document has come up with practical and implementable proposals, especially those relating to the fulfilment of agreed commitments and establishment of timetables to achieve the 0.7% target for Official Development Assistance [ODA].

The development agenda needs to be an inclusive one, going beyond the Millennium Development Goals (MDGs) and the Monterrey Consensus, and encompassing the outcomes of other major UN conferences and summits. The concerns of the least developed, the landlocked and the Small Island Developing States, recognised as groups of vulnerable countries needing special attention, need to be addressed by effective implementation of the outcomes of the Brussels Programme of Action, the Almaty Plan and the Mauritius Strategy. We welcome the recommendations to urgently address their needs and challenges. India has initiated a programme of capacity building, assistance in civil construction and infrastructure and technology transfer to mitigate the effects of climate change and we hope to expand this in the months to come.

India has written off the debts of all the highly indebted poor countries

and is happy to note that the G-8 has now also accepted the same approach. This, we feel, is of critical importance for the economic stability and prospects of the highly indebted and the least developed among us. Debt repayments and worsening terms of trade can neutralise all efficiency gains from good governance and sound macro-economic management, and reduce resources available for education and public health.

That is why it is so important that debt write-offs have to be accompanied by better terms of trade, greater access to markets and investment inflows. The same logic governs the need to ensure meeting 0.7% ODA target and supplementing this with innovative financial flows.

While welcoming the call for successful conclusion of the Doha Round of Trade negotiations and the sharp focus on the development dimension, to ensure that this is reality and not rhetoric, there ought to be some reflection of the over arching principles of flexibilities, Special and Differential Treatment (integral inter-alia to preserving food security, rural development and the livelihood of millions) and the protection of bio-diversity in terms of the New Delhi Declaration of the Like Minded Megadiverse Countries (specially on disclosure of origin and legal provenance of genetic resources etc.

The rate of growth is a product of the investment ratio and the marginal output capital ratio. For the first domestic savings, a firm commitment to the 0.7% ODA timetable and innovative sources of financing are required. For the second, it is not just domestic good governance but good global economic governance that is necessary. On June 30, the Financial Times headline is "Aid will not lift growth in Africa, warns IMF". I suppose what would lift growth is IMF conditionalities and structural adjustment which would destroy so many lives, break the courage of so many and numb so many working hands so that whatever little is left can be assisted to grow fast. That is what makes IMF gold, in Ruskin's phrase, "brighter in sunshine than in substance."

We are disappointed with the inadequate focus given in the draft outcome document to the role of the UN and the UN system in advancing the development agenda, particularly in the areas of trade, money and finance, debt and technology. We believe that the 2005 summit provides us with an opportunity to restore the primacy of the UN in dealing with the development agenda and that it should lead to an outcome that demonstrates

how the UN has retrieved the development agenda and regained the role of providing policy guidance to other bodies dealing with development issues. We would welcome inclusion of stronger commitments in the draft outcome document on systemic issues to address the democratic deficit in the governance of Bretton Woods Institutions. A very small example would show the problem: the IMF is a cooperative institution; why then are its interest rates not lower than market rates?

Given India's long-term association with and commitment to Africa, we want to see concrete and implementable decisions in support of the priorities of NEPAD with a substantial outcome for the special needs of Africa. We have taken several initiatives, in finance, in pharmaceuticals and specially in science and technology in partnership with Africa. We support the UNSG's proposal for developing and implementing a ten year plan for capacity building with the African Union.

We welcome the emphasis on science and technology because we firmly believe that without the application of science and technology, Millennium development goals cannot be achieved on time. Recent advances in science and technology provide an unparalleled instrumentality to combat age-old problems of poverty, ignorance and disease. Access to both new and appropriate technologies and to the cutting edge areas of science and technology need to be enhanced greatly among developing countries. We would like to see in the Outcome Document a recognition of the achievements and potential of South South Cooperation: there is a Northern dimension in terms of resource under pinning of some South South projects. We need to step up the volume of intra-South bilateral and regional trade, investment and technology transfer. Mutually beneficial trade preferences among developing countries can promote economic growth and development. Therefore, the third round of the Global System of Trade Preferences among developing countries holds significant promise.

We the developing countries have a common fight against poverty and disease. As part of our contribution, India is considering earmarking USD 1.5 billion for lines of credit to be used to help Africa fight the battle against HIV/AIDS and other pandemics. We hope to encourage our pharmaceutical companies to establish production facilities in Africa to cater to the increasing requirement for affordable medicines, especially for anti-retro viral drugs. We agree on the need for the international community to

urgently provide resources for an expanded and comprehensive response to HIV/AIDS, while recognising the continuing imperative for funding the combat against other deadly diseases as well as for reproductive health issues.

The recent natural disasters caused by the Tsunami and Hurricane Ivan have brought home to all the need for international cooperation at such times. In the spirit of South-South cooperation, India helped form a continuous bridge of search and rescue, medical supplies and mobile hospitals, relief and rehabilitation assistance to affected countries despite huge loss of life and economic devastation faced by us. We support the need for worldwide early warning systems for all natural hazards, especially in the Indian Ocean region.

We would like to caution that the Draft Outcome Document goes beyond the central objective of the Framework Convention on Climate Change: its recommendations are not informed and underpinned by equity and other principles enshrined in the Convention. For instance, the Convention does not recognise any category of "relevant emitters".

Mr. President,

We welcome the reaffirmation that democracy is a universal value. There can be no development without democracy. Democracy includes pluralism and freedom of choice: across the states of India, people freely choose governments ranging from right of centre to Communist. We fully support the proposal on strengthening UN capacity to assist Member States on request and welcome the establishment of a Democracy Fund. On the lines of the Ezulwini Document, there is a need to protect democratically elected governments from unconstitutional overthrow.

Terrorism not only undermines the foundation of freedom and democracy but endangers the continued existence of open and democratic societies. It constitutes one of the most serious threats to international peace and security and cannot be justified under any circumstances, be they political, philosophical, ideological, racial, ethnic, religious or other similar nature.

We welcome the Secretary-General's call to conclude the comprehensive convention on international terrorism before the end of the

sixtieth session of the General Assembly. The recent adoption of the Convention for Suppression of Acts of Nuclear Terrorism is a demonstration of the international community's resolve to tackle the menace of terrorism. The General Assembly needs to endorse the proposal to conclude negotiations on the Comprehensive Convention on international terrorism by June 2006.

In this context, we would like to point out that the language in paragraph 55 of the draft outcome document which purports to contain elements of definition of terrorism is already subsumed in Article 2 of the draft Comprehensive Convention on International Terrorism. We believe that the language in paragraph 55, which is fully in consonance with the proposed definition under Article 2 of the Comprehensive Convention on International Terrorism, would be helpful to concentrate efforts on reaching agreement on outstanding issues such as Article 18.

Mr. President,

We have supported the call for the establishment of a Strategic Reserve and Standing Civilian Police Capacity in order to facilitate rapid and effective deployment of UN peacekeeping personnel. Since these initiatives represent an important advance in UN peacekeeping, we would call for the active involvement of member states in the process leading upto their establishment and are ready and willing to engage constructively with both the Secretariat and Member States in this regard.

There has been a propensity, of late, to integrate UN peacekeeping operations with the capacities of regional arrangements, borne more out of the UN's own inability to muster sufficient enthusiasm among Member States to contribute to peacekeeping operations. The UN cannot be everywhere and in such instances regional organisations can play an important role; nevertheless, this integration should not absolve the UN of its primary responsibility that it took upon itself in 1945, to be the primary guarantor of international peace and security. UN peacekeeping, through its universality and the experience and expertise that it has built over the years, has carved a niche for itself which is perhaps irreplaceable. Regional organisations can only supplement and cannot be a substitute for UN peacekeeping.

We welcome the proposal for endorsing the establishment of a Peace building Commission. We believe that, without prejudice to the competence

and respective roles of other principal organs of the United Nations in post-conflict peace building activities, the General Assembly must have the primary role in the establishment and the formulation of the mandate of the Peace building Commission and in the formulation and implementation of post-conflict peace building policies and activities.

Mr. President,

We have noticed a general trend in the draft outcome document urging all States to accede to a treaty or legal instrument. Such a formulation is contrary to the sovereign right of a Member State under the Vienna Convention on the Law of Treaties to consent to be bound by a treaty. We would, therefore, suggest that this should be replaced with the normal UN language which "urges all States to consider ratifying" a treaty or legal instrument.

Mr. President,

We are surprised to see the proposals contained in the section on Disarmament and nonproliferation in the continuum of proposals that emerged from the High-level Panel report, despite concerns expressed by a large number of Member States on them. It appears to us that only few, if any, of these have been taken into account. There are proposals in this Section which inexplicably jettison the broad agreement that exists in the international community on the concerned issue.

The key elements of the current disarmament agenda do not find even a passing reference in the chapeau. Nuclear disarmament remains our highest priority although it has been relegated to an "also appeal" - vague exhortations to take concrete steps towards nuclear disarmament fall far short of the expectations of the international community. Nuclear disarmament has to advance on the basis of universal, multilateral, non-discriminatory and transparent instruments leading to the global elimination of the nuclear weapons in a time bound manner. In the interim, we believe that steps should be taken to lower their alert status; a first step would be a global "No First Use" agreement and non use against non nuclear weapon states, a negative security guarantee. India has already done so. There is need for an internationally binding, non discriminatory, clear and credible assurance by nuclear weapons to non nuclear weapon states that these weapons will not be used as instruments of pressure, intimidation and blackmail.

While India has not signed the NPT, it has never been and will never be a source of proliferation. Our record in this regard is impeccable and better than some of the state parties to the NPT. The Weapons of Mass Destruction and their Delivery Systems (Prevention of Unlawful Activities) Bill recently passed by Parliament further enshrines this commitment. India cannot accept the proposal contained in paragraph 49 urging all States to accede to the Treaty on the Non-Proliferation of Nuclear Weapons. We are not a signatory to NPT and cannot accept proposals that are devised in the NPT framework. The proposal on the Model Additional Protocol should similarly be amended to reflect the fact that NPT State parties are making this resolve. Application of non proliferation norms is as important as the norms. Selective application can only undermine UNSC Resolution 1540.

The Biological and Toxin Weapons Convention should be strengthened not only through improve national implementation but also through an effective mechanism for verification while at the same time providing for increased international cooperation in transfers and exchanges of biological materials and technologies for peaceful purposes. We remain committed to an effectively and internationally verifiable Fissile Materials Cut off Treaty: the absence of any reference to its being verifiable would alter the Shannon mandate and make negotiations much more difficult. We believe that further work is necessary to adjust the proposals in this section taking into account the views expressed by a large number of Member States in the course of discussions over the report of the Secretary General. We would, of course, be happy to provide further views on this section subsequently.

Mr. President,

We view the need for management reform of the United Nations from the twin imperatives of enhancing both efficiency and effectiveness. The ideas regarding one-time staff buyout, human resources and budget reform, management performance should be viewed from this perspective. No less important are the objectives of achieving greater transparency and accountability. We invite the Secretary General to provide Member States with an accountability framework and to take steps to promote transparency which are both necessary prerequisites for further delegation of authority and flexibility.

As regards review of mandates, we expect the Secretary-General to propose realignment of mandates or the discontinuance of mandates that are outdated or those that have marginal utility and it is for inter-governmental bodies to decide on such proposals. If existing provisions regarding review of mandates have been inadequately utilised, we must see whether these need to be strengthened. It is only to be expected that not all the 36,000 or so outputs that the Secretariat is expected to deliver, will have the same relevance or utility over time. At the same time, it is unrealistic to expect programme managers to propose their discontinuance if this is viewed purely as a budget-cutting exercise.

Strengthening of oversight is an essential element of the reform exercise. The General Assembly, through its Fifth Committee has initiated during the current session certain measures to strengthen the independence and authority of the Office of Internal Oversight Services, and these need to be implemented. We would welcome proposals from the Secretary General in this regard.

On the idea of a comprehensive review of budget and human-resources rules under which the Organisation operates, we have two comments to make. Firstly, it is necessary undertake an evaluation of the impact of recent reform initiatives in order to be able to identify further steps for reform. This is especially true in the area of human resources management reform where it is necessary to allow the Secretariat adequate opportunity for such evaluation and reflection. Secondly, if what is contemplated is not to be mere tinkering with existing structures, fundamental changes can be contemplated only if a comprehensive transparency and accountability framework is in place. We are, therefore, of the view that any such review cannot be finalised and submitted to the General Assembly before its 61st session. Improvements of personnel structure and quality are objectives that my delegation can whole heartedly support. We are less certain that a management tool like a one-time staff buyout needs to be endorsed at the Head of State/Head of Government level. In any case, such an exercise should be transparent and ensure the retention of quality personnel.

My delegation supports gender balance in the staffing of the Organisation. We are, however, dismayed that the pursuit of gender balance has further adversely affected representation of women from developing

countries in the Secretariat and this disparity is even more acutely so at senior levels. We welcome the emphasis that the Organisation is placing on ensuring that all UN personnel conform to the highest standards of behaviour and fully support the on-going measures to deal with instances of sexual exploitation and abuse. Such measures should extend to all personnel involved in UN activities be they UN staff, peacekeepers or humanitarian and associated personnel.

Mr. President,

We support the proposal for endowing the Office of the High Commissioner for Human Rights with additional resources from the regular budget in order to promote national capacity- building and strengthening technical cooperation programmes towards this end. The issue of greater human rights "field presence/offices" is one of significant sensitivity. We would suggest that this be at the specific request of the Member State concerned, lest this be perceived as intrusiveness. 'Mainstreaming' of human rights, i.e. the integration of human rights into decision-making and discussion throughout the work of the UN, continues to be effectively addressed; at the same time, the equally important task of mainstreaming development into human rights, has not received, in our view, adequate attention.

My delegation is supportive of reform of the Commission on Human Rights, as it has the potential to reduce the politicisation and divisiveness that has beset the Commission. In this context, we find that the few elements proposed in paragraphs 87 and 88 of the draft outcome document are selective and incomplete. Nevertheless, we are ready and committed to engage, now or during the 60th session of the General Assembly, with delegations to have further in-depth discussions on the elements on which Member States will need to reach agreement, including the 'terms of reference', functions and competence of any reformed or new body.

Mr. President,

We feel that the Outcome Document does not go beyond declaratory language into practical measures for revitalising the General Assembly, including its role on issues of peace and security, as set out in the Charter as well as under Uniting for Peace. In carrying out its primary responsibility for the maintenance of international peace and security under Article 24 of the Charter, the UN Security Council acts on behalf of the Member States

and therefore there is a principle of accountability to the General Assembly. The General Assembly's role cannot be simply one of "constructive relationship" to "to ensure a better coordination". Similarly, ECOSOC's "reach should exceed its grasp". Since Bretton Woods Institutions have long left behind their original mandate of ensuring stability and high rates of employment through Keynesian demand management, the ECOSOC is irreplaceable. It should go beyond coordination and coherence to setting the agenda. The history over the last one and a half decades of attempts to revitalise these two bodies is a long defeat of reason. For instance, the GA is the norm setting, law making body but it is the UNSC that has lately been making laws and setting up tribunals so that law, as the great Italian writer Leonardo Sciascia says in "The Day of the Owl" is "created on the spot by those in command". In short, till this UN Security Council is reformed through the entry of developing countries as permanent members, a reform of the larger UN system appears as unlikely as it has been over the last one and a half decades.

Mr. President,

I had not originally intended to speak on UNSC reform. But many delegations have done so and left me with little choice. We have not tabled the Draft Framework Resolution during the NGO Civil Society Discussions, during the High Level Dialogue on Financing for Development, during the continuing Cluster discussions on the Document to be adopted by the September Summit. Those who say that we are in a hurry or wish to impede the process are articulating plain disinformation contradicted by facts. As our Foreign Ministers announced in Brussels, we shall introduce the Resolution so as to have a discussion and vote after the AU and CARICOM Summits. Our partnership with AU is a matter of fact, not rhetoric, very different from those who want to see African countries as permanent members but propose a time schedule and process that would keep them out. The strength of developing countries is in numbers. To say that there should be no vote but a consensus is to disarm them of their main weapon. The rhetoric of anti-privilege masks the reality of a cynical defence of entrenched privilege. A country that displaced another through a vote proposes consensus for others; after winning the vote by a bare majority, it proposes very much above a two-third majority for others; it talks of the participation of developing countries but blocks their real everyday participation through expansion of permanent membership leading to improved working methods involving their participation in subsidiary bodies

of the Security Council. In its eagerness to carry the burden of developing countries alone, even when it is not always able to do so, it has forgotten that in G-20 in the WTO it is several developing countries acting together that are able to defend their economic interests.

The perennial wisdom of the Psalms and Proverbs of the King James Bible remains apt: "Pride compasses them about as a chain and violence as a garment." To slightly paraphrase Adorno's "Minima Moralia", "part of the mechanism of the UN Security Council is to forbid the acknowledgement of the suffering it produces". How else can one explain alternative proposals in the face of the experience of coercive economic measures, use of force, political misuse of human rights? Since what we think cannot be controlled, these are possibly an attempt to control what we think about. The campaign of one permanent member is dividing the developing countries; the proposals of the other, irrespective of good intentions, would have the effect of dividing region from region and country from country. Moreover, since none of these proposals has a two-thirds majority behind it, they seem to be looking not for truth but for effect, not for change but the status quo, not for reform but its prevention.

In these alternative proposals, the majority of member States are not asked to stamp themselves inferior members of the international community in rhetoric but are asked to do so in reality by not engaging in transforming the co-relation of forces to increase their policy space; by not ensuring the adoption of working methods that would ensure the day to day participation of non members in the subsidiary bodies of the Security Council instead of their election once in a generation; by deliberately misunderstanding the formulation on the veto and its role. These alternative proposals, therefore, when all the mud is flung, are simply a prop of the existing order of the current pattern of power and dominance. Such proposals have not in years achieved new working methods and do not say how they propose to do so now.

We align ourselves entirely with NAM and G-77. There should be no greater empowerment of the Security Council. But by leaving the present co-relation of forces unchanged and not bringing developing countries into permanent membership, thus breaking the charmed circle, this is precisely what alternative proposals are doing. By preserving current patterns of power the proponents of these proposals are manfully bearing on their shoulders the throne of the current power structure. The burden impedes free movement

and free thought. We agree entirely with NAM that GA should be made much stronger. How does one do this? Why has this not been possible hitherto? Because of the present balance of forces. Unless this is changed through developing countries becoming permanent members and ensuring participatory, inclusive and transparent working methods revitalization of the General Assembly can hardly be achieved. Above all, the General Assembly would assert its authority by electing new permanent members and holding them accountable. And on that day when none of the P-5 can veto a decision of the General Assembly taken thrice through a two-thirds majority the General Assembly would stand truly and finally revitalized. To change the global economic architecture and ensure the centrality of the UN in economic matters is not easy. The entry of developing countries in the above manner would increase their weight and voice and thereby exercise a beneficent influence on Bretton Woods Institutions. Their presence would make decisions optimal and thereby more widely acceptable and ensure that human rights are not politically misused, that legislation is not unjust, that responsibility to protect does not become an obligation to interfere. It is for the General Assembly to decide if the political culture of threats and harsh language, of pressure and diktat should continue or should end. It is for the General Assembly to decide if there is any fellowship between the conception in the Draft Resolution we have proposed and the hearts and minds of the member States and act accordingly.

Mr. President,

The draft outcome document gives us the blueprint for action and the September Summit provides us the opportunity to put development back on the centre-stage of the global agenda, restore the primacy of the UN in dealing with development and endow the UN with the authority to guide the work of other institutions in the areas of trade, money and finance, debt and technology. We will continue to remain fully engaged in the preparations leading up to the High-level Event in September 2005. We are committed to a transparent process and to reaching a balanced, action-oriented outcome document that can transform this organisation to meet the challenges of the twenty-first century.

Thank you, Mr. President.



704. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN at the High-Level Segment Substantive session of the Economic and Social Council.

July 1, 2005.

Mr. President,

We welcome the opportunity to participate in the discussions in the High-level segment of the ECOSOC on the implementation of the development agenda. This would enable us to discuss the key challenges and possible actions that would help developing countries in their efforts to achieve the Millennium Development Goals and other development priorities. We look forward to the demonstration of political will at the high-level event of the General Assembly later this year, which would undertake a comprehensive review of all the commitments made in the Millennium Declaration as well as in the outcomes of the major UN Conferences and Summits. We associate ourselves with the statement made by Jamaica on behalf of the Group of 77.

Mr. President,

The Millennium Development Goals embody a quantifiable vision of human dignity and solidarity and of certain important economic and social rights. In this sense, they carry forward the Right to Development. They are not an economic framework or blueprint or even a new strategy but are extremely important as indicators of progress in achieving these rights and as a stimulus to action in the North and the South. Unfortunately, the 8th goal which is not just 0.7 per cent ODA or innovative finance but action on debt, on trade, on technology does not have clear timetables and targets. When implementing these goals, it is important to bear in mind that important objectives such as employment, critical for all developing countries are not included. More important, they would be difficult to achieve on time without the application of science and technology and, above all, the addressing of systemic issues, including global economic governance. In this context, we hope that the MDGs would be mainstreamed into PRSPs by the Bretton Woods Institutions without becoming new conditionalities.

A few illustrative comments may be in order. Scientific research in

India has resulted in clinical trials of an HIV AIDS vaccine which would be marketed in three to five years; the DNA recombinant vaccine for Hepatitis B and the drug for cerebral malaria are already being supplied to developing countries. The use of satellites and remote sensing increases manifold the certainty of striking water sources. In India, the Employment Guarantee Bill has just received detailed and helpful comments from the concerned Parliamentary Committee; given overflowing foodgrain reserves and unutilized industrial capacity it can be implemented without any net indebtedness for the Government. Using \$ 2.3 billion from our foreign exchange reserves in an innovatory, special purpose financial vehicle for long term investment in rural infrastructure would increase both output and employment. For all the three goals concerned with public health, apart from the relationship between poverty, disease and deprivation, remembering the social basis of disease and devising welfare strategies to address this is crucial. Here, one has to see the danger of a purely quantitative technocratic approach. Giving Zinc and micronutrients to under-nourished children or promoting reproductive health irrespective of the general health of women would fail to address the problems since they would keep recurring unless the systemic cause that creates them is effectively addressed. Commodification of health care has to be avoided.

The imperative of liberalisation and attracting foreign capital implies inevitably low tax-GDP ratios and sharply reduced fiscal deficits, both of which inexorably mean a cut in government expenditure and human development sectors such as health and education are the first to be targeted. Direct tax cuts, accompanied by liberalisation of consumer goods imports, accentuate inequalities of income and consumption and may even stimulate de-industrialisation. One of the reasons for economic gap between the developed and developing countries is regimes that restrict, control or deny technologies. To give one example, India was denied the Cray Supercomputer; she developed her own more powerful Param Supercomputer which was also sold to some countries: the Cray company went bankrupt. The revolution in information and communication technologies offers us the tool to face the challenges of globalisation. It is ironic that the shrinking of the world as a result of technology and communications should be accompanied by evolution of controls that restrict movement for the peoples of the developing world. It is imperative that such regimes are liberalized as quickly as possible. Further, any achievement of MDGs in a sustained manner, leading to real economic transformation, is

hardly possible without a fundamental reform of international financial, monetary and trade institutions, a successful realisation of the development agenda of the Doha Round, and the United Nations recovering the role it had in the mid-Seventies of setting the international economic agenda.

If globalisation is inexorable, multilateralism has to be its life-sustaining and corrective mechanism. An increasingly globalising world reinforces the growing interdependence among nations. No one country can take on the exclusive responsibility of ensuring peace and security and/or development. The early reform and reinvigoration of the United Nation system to reflect changed ground realities acquire a certain urgency. It is particularly important to address the deficit in global decision-making through enhanced participation of developing countries in the international institutions. There has been little progress in implementing the agreement in Monterrey to enhance the participation of developing countries and giving them a greater voice in the decisionmaking processes. Addressing this question at a very early opportunity could have a direct and beneficial impact on the ability of the developing countries to influence the multilateral systems which do not always take their interests into account.

Mr. President,

The report of the Secretary-General emphasises the role of the State in socioeconomic development and the importance of public investment in this context. We believe that the role of the State should not be limited to merely providing a favourable macro-economic, legal and regulatory framework for private sector growth and for attracting investments from abroad. It also needs to undertake substantial investment in human development sectors and in basic physical, social and institutional infrastructure, and in the promotion of science, technology and innovation. Reduction in rate of child mortality cannot be achieved without improving access to safe drinking water and basic sanitation, roads that facilitate access to schools and hospitals, and electrification that improves efficiency of basic services. It is a truism that rate of growth cannot be increased without increasing the investment ratio and the marginal output capital ratio. In short, both finances and efficiency are required. The Sachs Report has clearly concluded that ODA levels cannot be increased sufficiently and sufficiently rapidly to meet development demands, including the achievement of MDGs. Therefore, innovative financing is inevitable. There are different proposals

ranging from an international travel surcharge through a variant of the Tobin tax and developmental SDRs to the most apparently popular, namely, an International Finance Facility that would leverage the amount got by frontloading ODA in the money market, presumably through bonds, to raise resources for development. In any case, it would be important to ensure that ODA does not fall below a pre-committed level. Good global economic governance is as important as good national governance for economic efficiency.

Trade is an important instrument of development. Achievement of MDGs hinges critically on realisation of the development dimensions of the Doha Round of trade talks. A major reform of agricultural trade and subsidies policies in developed countries is needed so that agriculture can become an engine of growth and poverty reduction in developing countries. Liberalisation of services sectors to facilitate exports and removal of service provision restrictions will be essential to enable countries to reap the benefits of their comparative advantages. In the case of NAMA, it is particularly important that any reduction formula adopted does not infringe the principle of special and differential treatment and the flexibilities available to developing countries in the July 2004 Framework Agreement. It is time to bring down the barriers not just against trade but also the barriers to development erected in several industrial economies which deny opportunities for faster growth in developing countries.

Mr. President,

We would be supportive of the Economic and the Social Council playing its due role in promoting awareness and giving policy guidelines in the area of development cooperation. The central question is one of political will – in allowing ECOSOC to discharge its responsibility, and not so much its mandate. Article 55(a) and (b) of the UN Charter seeks to promote higher standards of living, full employment and conditions of economic and social progress and development and solutions of international economic, social, health and related problems. We support, in particular, measures that would give practical effect to the provisions of the Charter in the coordination, policy guidance and oversight functions of ECOSOC with regard to its own functional commissions and subsidiary organs and funds and programmes and above all, the Specialised Agencies of the UN system. We believe that the strengthening of ECOSOC in this way would help in the UN retrieving

the economic agenda and in providing guidance to other institutions dealing with trade, money, finance and technology.

Thank you, Mr. President



705. Statement by Ambassador Jayant Prasad, Permanent Representative of India to the Conference on Disarmament at the Second Biennial Meeting of States on Implementation of the UN Programme of Action on Preventing, Combating and Eradicating Illicit Trade in Small Arms and Light Weapons.

July 11, 2005.

Mr. Chairman,

1. If we placed the spectrum of available weapons in a three-tiered pyramid, its top will have nuclear weapons, the middle ground will be taken up by chemical and biological weapons, and the broadest part of the pyramid will be constituted by conventional weapons and small arms and light weapons. While it is vital to address the apex of the pyramid, the base constitutes a larger, contingent concern, given the persistent prevalence of intra-state conflicts and terrorism in different parts of the world, and is consequently receiving the priority attention of States.
2. As we begin to consider and to take stock of national implementation of the UN Programme of Action on Preventing, Combating and Eradicating Illicit Trade in Small Arms and Light Weapons (UNPOA), it is well worth reminding ourselves of the devastating impact of the proliferation of illicit trade in small arms and light weapons. It gravely endangers the security of States, disrupts their social harmony and political stability, and hampers growth and development. The ready availability of illicit weapons fosters organized crime, drug trafficking, and illegal exploitation of natural resources and promotes sectarian violence, insurgency, and terrorism.
3. India, therefore, remains committed to the full and effective implementation of the Programme of Action and its essential objective of

preventing, combating and eradicating illicit trade in small arms and light weapons. India's legal and administrative mechanisms for effective control and regulation of such weapons cover all aspects of their lawful possession, manufacture, sale, transport, transfer, export and import of arms and ammunitions and stockpile management. All small arms and light weapons manufactured in India are uniquely marked and a comprehensive record kept enabling their tracing. India also follows strict policy guidelines with regard to export of small arms and light weapons.

4. Indian security forces have seized tens of thousands of these weapons, whose markings clearly point to their external provenance. India believes that efforts to combat and eradicate illicit trade in small arms and light weapons will contribute to the global efforts to combat terrorism and other organized crime. We believe that State responsibility is critical in ensuring this, primarily through their efforts, and also through cooperation with other States at the regional and global levels. India's National Report on UNPOA's implementation details the steps taken by India in this direction.

Mr. Chairman,

5. UNPOA reflects the explicitly expressed political commitment of States to address the issue of illicit trade in small arms and light weapons in all its aspects and to implement a key set of agreed principles and programmes. We would have, ideally, liked UNPOA to include additional provisions to increase its efficacy, such as prohibition of transfer of weapons to non-State actors. We are aware that the purpose of this meeting is to consider the implementation of the Programme of Action and, at the upcoming Review Conference next year, we shall assess and review the Programme of Action in its entirety and identify further steps that may be required to achieve its central objective.

6. For now, we shall, therefore, remain focused on UNPOA's national implementation. For this, it is a good augury that we succeeded in reaching consensus on a draft international instrument to enable States to identify and trace, in a timely and reliable manner, illicit small arms and light weapons. Even though it will not be a legally binding instrument, we joined the consensus, since the instrument contains vital commitments by States to mark all small arms and light weapons according to universal standards and cooperate with other States in tracing illicit ones. This significant achievement reflects our common commitment to achieve the objectives

enshrined in the Programme of Action. Indeed, agreement on the instrument sends out an important message concerning a reinforcing of the multilateral ethic, so much absent in the international discourse of today.

7. We are happy that Department of Disarmament Affairs has, meanwhile, carried out extensive, broad-based consultations on further steps to enhance international cooperation in addressing illicit brokering in small arms and light weapons. The General Assembly Resolution 59/86 outlines the parameters of further action on the subject. We expect that consultations and deliberations during the 2006 Review Conference will provide the required guidance to the Group of Governmental Experts, which the Secretary General has been mandated to appoint, no later than 2007, to consider further steps to enhance international cooperation on illicit brokering.

8. We would like to commend your initiatives in undertaking consultations with Member States prior to this meeting and for having identified key questions for the thematic debate. Our debate is likely to provide clarity as well as catalyse fresh ideas on how to implement UNPOA more effectively.

9. In this connection, the Indian delegation would like to express appreciation for the important contribution that international organizations and institutions such as UNDP and UNIDIR, as well as NGOs and civil society organizations like the Geneva Process, Small Arms Survey and IANSA. They have enhanced our understanding of the concerned issues and highlighted the need for more purposive efforts to deal with them.

10. The international community has taken modest, yet significant steps in addressing the question of preventing, combating and eradicating illicit small arms and light weapons. States, by consensus, have first identified the issues and then embraced a collective approach to resolve them. We need to carefully nurture the coherence, cooperative atmosphere and commitment that have emerged as the key characteristics of the Programme of Action. A steady, flexible and progressive approach will help consolidate our gains. India, Mr. Chairman, remains committed to this approach.

I thank you for your attention.



706. Statement by A. Gopinathan, Deputy Permanent Representative at the UN on Agenda Item 3 : Operational Activities of the United Nations for International Development Cooperation at the Substantive Session of the Economic and Social Council.

July 12, 2005.

Mr. President,

We extend to you our congratulations on the able manner in which you have guided the discussions in the Operational Activities segment. We associate ourselves with the statement made by the distinguished representative of Jamaica on behalf of the Group of 77.

We thank the Secretary-General for the reports prepared for the Operational Activities segment in compliance with the request of the General Assembly resolution 59/250. The report on Management process for the implementation of GA resolution 59/250 on the Triennial Comprehensive Policy Review of Operational Activities for Development of the UN System has made an attempt to identify the key issues highlighted in the resolution and of setting targets and benchmarks for the implementation of these key issues. Similarly, the report on funding options and modalities for financing operational activities and the Conference Room Paper on the consolidated list of issues related to the coordination of operational activities, prepared for the panel discussions, provide a basis for the discussions on follow up to the resolution.

Mr. President,

The report identifies the importance attached in the 2004 review to national ownership, national strategies and priorities, the need for focus on long-term development challenges, enhancement of national capacity to pursue poverty eradication, sustained economic growth and sustainable development, as well as the need to pursue full implementation of the internationally agreed Development Goals, including those contained in the Millennium Declaration. We agree that constant efforts by all organizations of the UN system are required to ensure that country-level operations are carried out for the benefit of the recipient countries, at their request and in accordance with their own development policies and priorities. The 2004

review emphasized the responsibility of the national Government to coordinate all types of external assistance and effectively integrate such assistance into their development process.

In the area of capacity building, the report recalls that the General Assembly reiterated that the United Nations organizations should use, to the fullest extent possible, national execution and available national expertise and technologies in implementing their operational activities. The General Assembly encourages all organizations of the UN development system to include reporting on their capacity building activities in their annual reports to their respective governing bodies. The 2004 review emphasizes the importance of South-South Cooperation and triangular cooperation. The General Assembly urged all the organizations of the system to mainstream in their activities modalities to support South-South Cooperation.

Mr. President,

As the General Assembly recognized in the 2004 review, the strength of the United Nations operational system lies in its legitimacy, at the country level, as a neutral, objective and trusted partner for both recipient country and donor countries. In its attempt to streamline its functioning, the UN development system has been engaged in a series of reforms over the last few years to improve its efficiency and effectiveness, while decreasing transaction costs and improving coordination. The objectives behind the reform process are undeniably attractive. However, perhaps, it is time to analyze whether in the excessive focus on process, results have been overshadowed. The effectiveness of the UN development system can only be assessed on the basis of the results achieved in assisting developing countries in realizing their development goals.

As the Resident Coordinator system is strengthened, it is expected that it would result in improved coordination and avoidance of duplication, while improving the overall visibility of the UN at the country level. At the same time, it is necessary that individual agencies retain the flexibility to fulfill their respective mandates without being overshadowed by the larger agencies in the field. Similarly, UN Houses are expected to improve cohesiveness and foster closer ties among UN agencies and their staff, leading to better coordination and stronger cooperation amongst them. The benefits of such pooling of resources are obvious. UN Houses have already been established in sixty countries. We believe that a review of the impact

of the reforms, not just the financial savings that would accrue, but also on the performance of the agencies represented at the field, forms a natural component of the reform process. While analyzing the net benefits of the reforms, it would be useful to take into account the perspective of the smaller agencies.

Mr. President,

The primary requirement for enhancing the capacity of the UN system to achieve development results is, no doubt, the predictability, long term stability, reliability and adequacy of its funding. The 2004 review devoted an entire section to the aspect of funding for operational activities. It emphasized that funding operational activities for development should focus on long term development challenges based on national development strategies. The section emphasized that increasing financial contributions to the UN development system is key to achieving the MDGs. The resolution stressed that core resources, because of their untied nature, continue to be the bedrock of the operational activities and called for substantial increases in the core/regular resources of the UN development system. The resolution also urged developed countries that have not yet done so to make concrete efforts to reach the Official Development Assistance target of 0.7% of the GNP.

The report indicates that despite the different "core" funding modalities adopted by the funds and programmes, specialized agencies and other UN entities, all of them face the same challenge, namely that of securing a steadily growing flow of resources for their core budgets. Despite some positive trends in levels of ODA, core resources have not grown significantly over the period from 1996 to 2003 and most funds and programmes are experiencing an increasing disparity between the core and non-core resources. Lack of sufficient core resources for both administration and programme development, according to the report, represents the single most important constraint on the performance of development entities.

The Secretary-General's report stresses that action to ensure that the level of UN development cooperation funding is adequate, should be accompanied by measures to introduce much greater predictability and long term stability to such funding. The report on funding identifies some of the adverse consequences of short-term solutions, like the expansion of

supplementary funding. The competition created by dependence on supplementary funding, if excessive, would restrict the space for a strategic approach, while introducing the risk of distortion in priorities and result in introducing conditionalities in the long term. The report identifies the Multi-year Funding Framework as having the potential to increase core funding, or at least the predictability of core resources. Even as we look at non-traditional modalities for funding the operational activities, there should be no compromise on the basic attributes such as multilateralism, neutrality, flexibility, universality, voluntary and grant nature of such funding. Care would be necessary to ensure that non-traditional modalities of funding do not introduce new conditionalities.

The 2004 review has come at an important juncture, on the eve of the five-year review of the implementation of the Millennium Declaration. The UN development system can make a valuable contribution to the efforts being made by developing countries to achieve the Development Goals of the Millennium Declaration. It is important that we strengthen the operational arm of the UN by providing it with stable, reliable, untied and adequate flow of resources to equip the UN system for the role that we as Member States expect of it. Donor countries must join the efforts of the developing countries in a spirit of global partnership and solidarity in our collective determined efforts to achieve the MDGs. We expect that the High Level Plenary Meeting of the General Assembly in September would address this important issue and lead to the fulfillment of the 0.7% of GNI target for ODA for donor countries.

Thank you, Mr. President.



707. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item 53 : "Question of Equitable Representation on and Increase in the Membership of the Security Council and Related Matters".

New York, July 12, 2005.

Mr President,

We congratulate you in convening this historic meeting of the Plenary under Agenda Item 53. You have led us with honour and distinction during the 59th session and we are confident that as we near its conclusion, we will achieve fruitful and productive outcomes under your able leadership.

This is not another plenary debate. The G-4 have introduced a historic resolution that seeks to reform the Security Council in such a manner and through such a process that would revitalise the General Assembly through praxis and not mere promises, through action and not through mere aspiration. The General Assembly cannot be revitalised through wishing and desiring this but through hard thought and harder exercise of will.

The critics of the resolution - and there are not many - have alleged that we have put up the proposal in haste, that we have not been inclusive in approach and that a decision on the matter should only be taken on the basis of consensus. The debate on Security Council reform has been taking place for over 12 years now, and the issues are widely known. These discussions have intensified over the past one year. In the past six months, there has been a particularly intense process of consultations. The substance of the proposal has been discussed by G-4 with every group and member state in the United Nations, both in New York and capitals. Not only is the resolution the culmination of discussions that have taken place for well over a decade, but it is the consequence of a broad-based consultation process that takes on board the concerns and views of all. And finally, in moving ahead and calling for action, we are heeding the advice of UN Secretary-General Kofi Annan who has stated, not without reason, that no reform of the United Nations would be complete without a reform of the Security Council and that, as a consequence, Member States should take a decision on this issue before September 2005.

Likewise, the undue emphasis on consensus only serves to confuse and obfuscate the issue. By adopting resolution 53/30, the General Assembly has quite clearly determined that the requirement for a decision on this question is two-thirds of the membership. To now artificially raise the bar - as some have sought to do, including a recent speaker - is quite clearly arbitrary and self-serving. The critics of the G-4 proposal would do well to remember that the genesis of the proposal is the High-Level Panel's report and the Secretary-General's own report "In Larger Freedom". It is currently the only proposal on the table; one that takes into account the interests of all groups and regions within the UN system - big and small and ensures a win-win outcome for every Member State. The other proposals are either for preserving the status quo, or, even if they acknowledge merit in the G-4 logic favouring an expansion in both categories, seek to do so on a narrow and restricted basis, without elaborating on either intent or content.

Most importantly, the G-4 proposal seeks to change the structure of the Security Council - a structure that is outdated and that has hitherto militated against the interests of the developing countries which constitute the majority of the Member States of the Organisation. And, it is only through a change in its structure and by breaking the charmed circle of permanent members, will it be possible to change the policies and political culture of the Security Council.

We are not trying to carve into stone a reform that is static. On the contrary, through the inclusion of the review clause, new permanent members will be held accountable for their performance, and should this, in the opinion of the wider membership, be found inadequate, the situation is entirely subject to change. In other words, the General Assembly which we are seeking to revitalise will continue to be the master of the reform process being undertaken.

It has often been argued that Security Council reform will overshadow some of the other critical issues set out in the Secretary-General's report. This argument is simply contradicted by facts: we have not introduced the resolution during the discussions on the Outcome Document and have, like other delegations, engaged intensively in the debate; far from the issue of development being diluted, it has been the centre of focus and will remain so: we are prepared to travel the entire distance on this vital issue in solidarity with developing countries. The UN Security Council reform model and

process that we are proposing would exercise a beneficial influence on the overall reform by strengthening the General Assembly and removing or at least reducing concerns on unjust legislation or unfair use of human rights. Alternative models do not provide this synergy. We are as wary of artificial deferrals, Mr President, as others may be of artificial deadlines.

Mr. President,

Permit me to deal with some of the criticisms levelled at us both yesterday and today. Our critics wish to square the circle in traditional mathematics: they wish to increase UN Security Council efficiency and authority and improve its working methods but without breaking the charmed circle of the P-5. Efficiency is not an arithmetical or managerial concept; it is a function of optimal and just decisions; authority comes from wide acceptability of decisions perceived to be fair and just. These cannot be achieved without the contribution of new permanent members. Also how does one improve working methods without mandating new permanent members to do so and holding them accountable if they do not?

To do something decisively that has been carefully thought out and discussed is considered a sign of immaturity but this is characteristic of youth impatient for change. To postpone and do nothing is perhaps a sign of maturity but equally of old age and decrepitude: in this sense maturity would also ensure consensus. We are equally unswerving in supporting the representation of African countries; the only difference that we do not swerve when it comes to their permanent membership.

Mr. President,

Our critics say that since the reform that we are proposing is likely to be vetoed by some of the P-5, it is a fruitless dead-end. We believe that a decision taken thrice by the General Assembly through a two-thirds majority cannot be politically vetoed: it is not a dead-end but a barrier that has to be broken through so that from the dead end that it is almost reaching, the General Assembly is resurrected and revitalised as the most powerful universal body of the United Nations. Our critics add that their reform model is better because it would be ratified by the P-5. Precisely for this reason it would be worse for the General Assembly. In a discussion with friends from the African Union a few weeks back, I quoted a 19th century thinker who favoured a "radical reform, reform that is permitted by reason and not

permitted by the police". Our critics offer us a reform that is permitted by the police and not permitted by reason. Their logic is incomprehensible. President Truman spoke of the noble purposes of the UN. But, as the records of the Potsdam Conference show, he also inaugurated the Cold War. It is quite clear that our critics therefore continue to support the dominance of the current power structure. They speak of the ethics of the UN and of national elections, on which G-4 countries hardly require any lessons. It is said that permanent members with the veto, without the veto and non permanent would comprise three unmanageable and unequal tiers. But the continued dominance of the P-5 and the proposed twenty non permanent members would form one happy equal family. The small states who have cosponsored our resolution, according to this logic, do not know their own interests: a small state elected once in 40 years is represented but a small state that benefits from increased policy and political space and participates everyday in the subsidiary bodies of the Security Council does not get any benefit at all. An election after which the record of non permanent members is not examined is accountability. A stringent review holding new permanent members accountable is lack of accountability. Most astonishing of all is the complete reinterpretation of the African Union Summit. Not providing for one more non permanent seat makes the G-4 proposal totally incompatible with AU positions. But denying both permanent seats to AU makes the Uniting for Consensus proposal fully compatible. The G-4 is saying that the question of veto should be discussed after 15 years; the AU that it should be discussed now. Our critics from the Uniting for Consensus, however, say that the AU is not interested in the veto but in something else. This is to reinterpret the Ezulwini consensus and the AU Summit document and to claim to know what the AU wants better than the AU itself. What is more the Uniting for Consensus proposal speaks of continuous presence: the arithmetical effect of this on other seats would be much more adverse than what is claimed for the G-4 proposal; politically it would be far worse since there would be no benefit of greater policy and political space and participation in the subsidiary bodies of the Security Council which is what the G-4 resolution proposes. One of the Uniting for Consensus countries "warned" the G-4. We do not know if this is a friendly pointing to a danger to be avoided or a threat to be heeded. This completely unselfish and fruitful travesty of logic is dressed up as total absence of national ambition and total care for the welfare of the general membership.

It has been said that the number of members in a new Security Council should not exceed "twenty plus". I merely want to remark on the striking arithmetical coincidence. Also, it was said that there should be no dilution of the status of the P-5: I would have imagined that surely that is the whole point; we have to dilute the status of the P-5 through new permanent members in order to break the charmed circle and reach optimal decisions, acceptable to a broad majority of the general membership. Another statement said that our model of reform is divisive (a point made also by the Uniting for Consensus) and we should have a broad based agreement. How does one find out whether there is a broad-based agreement? Surely, a broad-based agreement is not a figment of the imagination. It has to be found through a process of voting which will show whether there is a broad-based agreement or not. It was also mentioned that here such decisions require the support of two-thirds of the Senate. We entirely agree with this. That is exactly why we are proposing that a similar decision on Charter amendment for changing the structure of the Security Council should require the two-third support of the general membership of the United Nations. It is said that this should be part of a package but the point is that as the UNSG has advised, the package does not imply that decisions should not be taken by voting if there is no consensus or should not be taken earlier. In fact, the UNSG's clear advice is that a decision on this vital issue should be taken early precisely in order to use the synergy I referred to for other aspects of UN reform. It is further said that the UNSC should be effective. But, here again, as I have argued earlier, effectiveness is not an arithmetical concept; I repeat that it is optimal decisions, to which developing countries have contributed and their wide acceptability that would make the Security Council effective - not arithmetic or a narrow managerial approach. Again, it is said that only States that have the necessary capacity should be there. Who is to judge whether a State has the capacity? Surely, it is the General Assembly. In any case, if the criteria that are being proposed had been adopted in 1945, half the membership of the Security Council would not be there. In conclusion, the statement said the G-4 Resolution would not strengthen the United Nations and, therefore, the General Assembly was urged to oppose a vote on it and to vote against it. The General Assembly has to make up its mind: does it want to revitalize itself? If it does, the choice is clear: it should vote and not go by consensus; and it should vote in favour of the G-4 Framework Resolution. And finally, Mr President, I will return to the point that I began with - the whole issue of G-4 hurtling down the road with

a resolution in undue haste. Quite clearly, the facts show otherwise. We have painstakingly worked with Member States and regional groups on a reform package that we believe will serve the interests of all. We have respected the wishes of the African Union and CARICOM who had urged us to table our resolution after the summits in Libya and St Lucia. We will continue to negotiate and talk with these groups, in keeping with the spirit of the Brussels Statement and the London Declaration, and with other Member States and regional groupings. Even as we do so, we appeal to them for their support and understanding, in our joint endeavour to give the developing countries their due and rightful place in the highest echelons of decision-making in the United Nations that has hitherto been denied to them. We would also appeal to all Member States to seize this rare opportunity to usher in reform and change, that we are convinced (and after today's debate more than ever before) is needed if the United Nations is to represent an effective and genuine multilateralism in the truest sense of the term.

Thank you, Mr President.



708. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on the Role of the Security Council in Humanitarian Crises at the Security Council.

New York, July 12, 2005.

Mr. President,

At the outset allow me to congratulate you on your assumption of the presidency of the Security Council for the month of July 2005. The agenda of the Council for the month is indicative of the important issues that the Council is called upon to deal with. I have no doubt that these issues will receive the most careful consideration under your stellar leadership.

Mr. President,

As we are taking the floor for the first time this month, I would like to convey, on my own behalf and on behalf of the Government and people of

India, our deep condolences and sympathy to the Government and the people of the United Kingdom for the tragedy that has resulted from the terrorist attacks in London. This reprehensible act is a crime not just against the United Kingdom, but against all humanity. The horror perpetrated in London will remain etched on the collective consciousness of the world as a signal that terrorism has become one of the greatest threats of our times. It is not constrained by distance and resources, nor restricted by boundaries or bound by any civilised norms in wreaking devastation. The world community must rise as one to respond decisively to this collective challenge to the peace, security and progress of the entire mankind.

Mr. President,

I wish to thank you for scheduling this open meeting of the Security Council today. Regular participation of the general membership in Council debates on important issues under its consideration is a step towards the desired goal of achieving greater transparency and inclusiveness in the work of the Council.

The theme of the debate today is one that has been discussed on a number of occasions by the Council under different nomenclatures. My delegation has participated in several open debates on related issues and our position on these is well-known. In recent months, the consideration of this and related issues under the rubric of reform of the United Nations, based particularly on report of the High-level Panel on Threats, Challenges and Change and the Secretary General's "In larger freedom" report, has enabled a fresh airing of views on the subject.

We believe that the topic of this debate belongs more to the General Assembly as it revolves around more than one issue such as implementation of humanitarian law, rule of law in conflict situations and capacity building of States in conflict, or those emerging from conflict. But you have redressed the balance through the idealism and reason you have brought to bear on the debate, characteristic of Hellenic civilisations and your method of conducting the discussions which would remain a model for the future. If I am permitted a Christian metaphor, we hope this would be the "rock" on which the future working practices of the Security Council will be built. [The Greek Foreign Minister is Petros G. Molyviatis - Petros means rock in Greek].

India has on several occasions expressed its reservation on intrusive

monitoring and finger pointing while dealing with specific human rights situation in individual countries. This principle applies equally in cases of violation of humanitarian laws. We remain convinced in the essential validity of an approach that is based on dialogue, consultation and cooperation leading to genuine improvements in the situation where violations of human rights law and humanitarian law are addressed without any external interference.

We have on earlier occasions also made it clear that any discussion which is used as a cover for conferring legitimacy on the so-called "right of humanitarian intervention" or making it the ideology of some kind of "military humanism" is unacceptable. We believe that in case of humanitarian crises manifested in the form of genocide and gross violations of human rights and humanitarian law, no amount of sophistry can substitute for the lack of political will among major powers.

There is, in fact, a very troubling pattern usually ignored or not acknowledged. In several countries, because of the suspicion now engendered that humanitarian assistance is driven by political motives, and that those who take humanitarian action also take sides, parties to a conflict have either targeted humanitarian workers or those they work for, or refused them access. These fears can only be allayed if humanitarian assistance returns to its roots, and humanitarian action is seen as apolitical, neutral, and offered at request, in accordance with the guiding principles so clearly enunciated by the General Assembly in its Resolution 46/182.

We are not certain if an investigation of the reasons behind countries relapsing into conflict would serve much useful purpose. There may be a variety of reasons that drag countries into a state of armed conflict. It is well-known that transitional situations are complex and country-specific. However, the single-most effective instrument for assisting countries from relapsing into conflict, to our mind, would be development. It is widely acknowledged that development assistance to post-conflict countries can help in stabilizing the situation and provide the time needed for building national institutions.

Mr. President,

The General Assembly resolution on "Triennial Comprehensive Policy Review of Operational Activities for development of the UN System"

(59/250) urged the UN agencies and donor community, in coordination with the national authorities, to begin planning the transition to development and taking measures supportive of that transition, such as institutional and capacity-building, from the beginning of the relief phase.

The resolution has stressed the need for transitional activities to be undertaken under national ownership through the development of national capacities at all levels to manage the transition process. We feel that the UN system as a whole must look at the issues of national capacity development as a priority in post-conflict situations. The effort should be to develop national capacity and promote national ownership.

Post-conflict countries would also benefit from sharing experience and expertise from other developing countries. South-South Cooperation modalities, including triangular cooperation modalities should form an important component of the development of postconflict countries. The use of information technologies and knowledge management systems, as well as exchange of expertise should be facilitated to enable post-conflict countries to take advantage of the experience of other developing countries.

Mr. President,

There is a general understanding among the membership today that in the event of gross and egregious violations of human rights or genocide, the international community can no longer remain silent. A humanitarian crisis can also be the result of famines, droughts, natural calamities, infectious diseases and a host of other factors. The Council has the authority under Chapter VII provisions to intervene where it deems necessary. Yet there continue to be doubts about the political objectivity of decisions that empower States to act against others in the light of humanitarian crises.

Thank you, Mr. President.



709. Statement by Mrs. Ruchi Ghanashyam, Minister, Permanent Mission of India, on Agenda Item : 5 Special Economic, Humanitarian and Disaster Relief Assistance at the Substantive Session of the Economic and Social Council.

July 13, 2005.

Mr. President,

We congratulate you on your able guidance of the Humanitarian segment. We associate ourselves with the statement made by Jamaica on behalf of the Group of 77. We thank the Secretary-General for the comprehensive reports prepared for this segment, including the one on the aftermath of the Indian Ocean Tsunami disaster.

We appreciate the self-critical approach of the reports that seek to identify the gaps and to learn from the shortcomings in the humanitarian response system perceived in the aftermath of major natural disasters, including the recent Tsunami disaster. The reports show that during the past year, some of the key humanitarian developments and challenges, particularly those relating to capacity gaps, have been experienced in both complex emergencies and natural disasters. The report does not bring out the different dynamics of complex emergencies and natural disasters, even though the nature of the UN humanitarian assistance and coordination processes in post-natural disaster situations would be clearly different from those in complex emergencies. The Panel Discussions of this morning were helpful in this regard.

The report recommends that attention be paid to mobilising and supporting existing capacities, knowledge and institutions through transfer of technology and knowhow, as also higher investment in disaster preparedness. It calls for greater support from Member States for funding of neglected emergencies, under-resourced sectors and funding gaps, particularly for post-disaster recovery.

One of the important gaps identified by the report in extending humanitarian assistance is that of resources, be it insufficient resources distributed unevenly, or the failure to meet the basic needs of the affected population in a timely way. Despite generous pledges from donors to the

major crises during the past three years, funding for humanitarian assistance continues to be low, delayed and unevenly applied. Funding is identified by the report as being particularly important in making an impact on postdisaster recovery. Nowhere is this illustrated more dramatically than in the case of Africa. We have spoken repeatedly about the insipid response to Africa's needs. Of the 14 appeals for Africa, eight have received less than 20 percent of the requirement so far and, barring one, the others have received less than 40 percent. Updating the Central Emergency Revolving Fund established by General Assembly resolution 46/182 and expanded by General Assembly resolution 56/107 to include disaster response, has been identified as a way of responding to gaps. The Fund's current configuration as a revolving fund seems to be useful but limited as a financial instrument for humanitarian response. The report indicates that the expansion of the Fund would, inter alia, address unanticipated needs as well as core needs in under-funded emergencies. The report recommends its expansion to include a grant facility component. This proposal requires serious consideration.

The report recommends clearer and more formal coordination procedures and agreements with the military. At this stage, it would perhaps be useful to make an assessment of the extent to which military assets are made available to the UN humanitarian system for its disaster response. For this purpose, the UN humanitarian system would need to coordinate with the Governments that have indicated the willingness to provide military assets for the purpose. The use of military assets in disaster response should be at the request of, and with the consent of, the receiving State and in accordance with the relevant provisions of the international and national laws.

Mr. President,

We are concerned at the attempt to dilute the principle of State sovereignty in the area of protection of civilians. Paragraph 53 of the report on "Strengthening of the coordination of emergency humanitarian assistance of the United Nations" (E/2005/78) states that "though the primary responsibility for the protection of civilians rests with States, international assistance is often required, with the consent of national governments, or when the State cannot protect its citizens alone". We strongly believe that it is important to avoid politicisation of the UN humanitarian system. Assistance

by the UN humanitarian system must be extended with the consent of the affected State unless it has been agreed by the international community as a whole that the State can no longer protect its citizens on its own.

The same paragraph also gives the impression that protecting and assisting the internally displaced, either on account of conflict or of disaster, may arise from a situation where consent of the national Government may be expendable. We do not agree with this assumption, as the internally displaced persons, especially in postdisaster situations, are within the jurisdiction of the affected State and its laws and regulations. In our view, well- functioning and stable governments with strong national and legal institutions are perfectly capable of taking care of their internally displaced persons. We believe that the recommendation contained in the report on the Indian Ocean Tsunami disaster (E2005/77) seeking to extend the UN Guidelines for Internal Displacement to natural disasters would need further consideration and discussions among Member States. The report itself recognises the difficulty in using the Guidelines on a standard basis and refers to the specific context of each disaster.

Moreover, the report "Transition from relief to development" (E/2005/79) speaks of humanitarian agencies continuing to substitute for national authorities rather than develop national capacities in post-conflict transitions. Paragraph 96 of General Assembly resolution 59/250 on "Triennial Comprehensive Policy Review of the Operational Activities for development of the UN System" stresses the need for transitional activities to be undertaken under national ownership through the development of national capacities at all levels to manage the transition process. The effort of the UN humanitarian system, we believe, should be to develop national capacity instead of attempting to substitute for them.

We would reiterate the need for humanitarian assistance to be guided by the principles contained in the annex to General Assembly resolution 46/182, especially that humanitarian assistance must be provided in accordance with the principles of humanity, neutrality and impartiality. We believe that the affected State has the primary role in the organisation, coordination and delivery of all humanitarian assistance.

Mr. President,

We take this opportunity to recognise the efforts being made by the

UN system in the post-Indian Ocean Tsunami disaster. The report prepared in this context highlights several important issues and measures taken by the affected countries and brings out the need for adequate financing for post-disaster recovery, while stressing the important issues of national ownership and leadership. We appreciate the efforts of former US President Bill Clinton, UN Secretary-General's Special Envoy for Tsunami Recovery, who has mobilised the post-Tsunami recovery effort through a "Global Consortium" of affected Governments, UN agencies, international organisations, international financial institutions and non-governmental organisations.

Thank you, Mr. President.



710. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Threats to International Peace and Security Caused by Terrorists Acts at the Security Council.

New York, July 20, 2005.

Mr. President,

We thank you for scheduling this timely meeting on the "threats to international peace and security caused by terrorist acts". We also thank the Chairmen of the 1267, 1373 and 1540 Committees for their detailed briefings.

The recent horrific attacks in London and elsewhere in the world have shown the emergence of terrorism with a renewed vigour. The seriousness and consistency of the threat posed by terrorism to civilised society anywhere, irrespective of political affiliation or ideology, has been brought home once again. Most important, for our purposes, it has reinforced the urgent need for a global consensus on dealing with it.

Mr. President,

To us in India, terrorism is not a new phenomenon. We have suffered from this cross-border inspired scourge for nearly twenty-five years. Over

60,000 Indian citizens have lost their lives as a direct result of terrorism. India has consistently maintained that terrorism constitutes one of the most serious threats to peace and security; that it recognises no border or boundary, observes no code of conduct or constraints of religion, nor is it restrained by humanism or the bounds of civility. Fifteen days ago, on the 5th of July, five heavily armed militants, believed to be affiliated to the Lashkar-e-Toiba, stormed the complex in Ayodhya with the intention of spreading mayhem and terror at a sensitive site. Fortunately, owing to the effective intervention of the security forces deployed at the complex, the militants were neutralised at a relatively low cost. However, the intention of the perpetrators of this act of terrorism, and their external sponsors whose involvement has since been proven, was far more sinister - it was to incite the flames of communal conflagration and violence and damage India's secular and democratic fabric. In his address to the US Congress yesterday, Prime Minister Dr. Manmohan Singh stated, and I quote, "...open societies like ours are today threatened more than ever before by the rise of terrorism. ... Terrorism exploits the freedom our open societies provide to destroy our freedoms. We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere."

It is important for States to be held accountable for any lack of compliance with their international obligations, in particular those under international legal instruments and under Security Council resolutions, on terrorism. The international community must no longer tolerate resort to double standards, partial cooperation for political ends, tactical ploys, incitement, fundamentalist training and indoctrination, and support or sponsorship of terrorism. If global action against terrorism is to succeed, States which profess cooperation on the war against terrorism while maintaining intact the infrastructure of terrorism should no longer be allowed to get away with impunity.

Mr. President,

The Counter-Terrorism Committee (CTC), assisted by the Counter-Terrorism Executive Directorate (CTED), must continue to play a major role in assisting States with capacity-building and the means of fighting terrorism. We would like to compliment the 1267 Committee on its work. Unfortunately, we have witnessed in recent months a resurgence of these organisations in Afghanistan, as manifested by the increasing attacks against civilians and

security forces along the southern and south-eastern borders of that country. The re-emergence of large wellarmed groups of Al-Qaida/Taliban is a matter of concern for the international community. We believe that the two words, "moderate" and "Taliban" are mutually incompatible. Any attempt to reach out to former Taliban elements should exclude individuals or entities in the 1267 Committee's consolidated list. Any action to the contrary would constitute a clear violation of Chapter-VII resolutions. The recent listing of the Lashkar-e-Toiba (LeT) by the 1267 Committee in its consolidated list of entities under the Al-Qaida Section has been an important step forward in the fight against terrorism. The LeT enjoys a clearly defined agenda, hierarchy, sources of funding, protection and infrastructure. Its philosophy has been to merge jihadi education with modern curricula to train young students not only in religious principles but also to make them adept in science and technology - a philosophy that can be put to devastating effect to serve the needs of terrorism. We would encourage the 1267 Committee to continue to be active in securing listing of more individuals and entities.

India had welcomed the adoption of Resolution 1566 which, in our view, represented a logical extension of the existing multilateral cooperation on counterterrorism. In our view, the United Nations should not leave unchallenged or unaddressed claims of moral, political and diplomatic support for terrorism. We do hope the Working Group established pursuant to Resolution 1566 would earnestly set out to reach understanding on the ways and means of moving the Council's counter-terrorism agenda forward.

The work of the 1540 Committee remains critical. Recent revelations of the extensive international network that facilitated the proliferation of nuclear equipment and technology have amply brought home to us all the danger of the acquisition of weapons of mass destruction and their means of delivery by terrorists. We urge the 1540 Committee to be more proactive and to move quickly to minimise, through international cooperation and co-optation, the possibility of any further proliferation that could pose a threat to international peace and security.

As we have conveyed in our national report to the 1540 Committee, India's track record on nuclear non-proliferation is impeccable. Even though we have witnessed unchecked proliferation in our own neighbourhood, which has affected our security concerns, India has not only adhered to existing regulatory framework governing controls over weapons of mass destruction

and their means of delivery but proceeded to strengthen these. The Weapons of Mass Destruction and their Delivery System (Prohibition of Unlawful Activities) Act adopted on 6 June, 2005 provides overarching and integrated legislation prohibiting unlawful activities in relation to weapons of mass destruction and their delivery systems.

In this context, the Prime Minister of India stated yesterday, and I quote: "India, as a responsible nuclear power, is fully conscious of the immense responsibility that has come with the possession of advanced technology, both civilian and strategic. We have never been, and will never be, a source of proliferation of sensitive technologies." Unquote.

Mr. President,

While the Security Council has been justifiably proactive on the counter-terrorism agenda, we believe it is equally important for the general membership to engage on this critical issue. The Secretary-General has called for a comprehensive counter-terrorism strategy to be adopted by Heads of State and Government at the High-Level Plenary meeting in September. The international community must endorse his call. My delegation strongly supports the conclusion of a comprehensive convention on international terrorism during the sixtieth session of the General Assembly.

There can be no justification for terrorism in all its forms and manifestations. Those who resort to terror often clothe it in the garb of real or imaginary grievances. No grievance can justify resort to terror. At the same time, the fight against terror has to be fought within the boundaries laid down by our obligations regarding the rule of law and fundamental freedoms. The Government of India, recognising the need to continue fighting terror without impinging on essential individual freedoms and liberties, repealed the Prevention of Terrorism Act.

It is a curious and striking paradox that both Dr. Huntington and certain terror groups like Al-Qaida regard the problem as a clash of civilisations. Our experience is that this paradigm is profoundly mistaken. India's capacity to deal with the vicissitudes of terrorism can be traced to its ability to accommodate different cultural and civilisational traditions over time. Historically, the bhakti and sufi movements absorbed the best values of thought and civilisation. These traditions have contributed to the emergence of a secular democracy that in itself serves as a bulwark against

societal tensions. Not a single Indian has been identified or detained for terrorist acts perpetrated by Al-Qaida or the Taliban. As the largest democracy with secularism at its heart and as the second largest Islamic society in the world, we feel we do not need any lesson from either the Western democracies or the self-appointed guardians of Islam.

The deliberate weakening of secular democratic forces in many parts of the world over decades left the fundamentalists as the only vehicle of popular dissent. It is only through a strengthening of the former that we can hope to gain the upper hand in the battle against terrorism. At the same time, the brutal anti-humanism, the absence of any realistic programme for social regeneration and, above all, the extreme reactionary vision of terrorists can only strengthen reaction.

Mr. President,

It is our sincere hope that the United Nations would move forward the international agenda on counter-terrorism through the actions of the General Assembly and the Security Council. The intricate linkages and networks that unite terror groups can only be challenged through concerted international cooperation and efforts. The international community can no longer accept double standards or half-way measures on the part of States in the fight against terrorism. The United Nations would have to ensure that all States are committed equally to the fight against terrorism.

Thank you, Mr. President.



711. Statement by A. Gopinathan Deputy Permanent Representative at the UN on the Situation in the Middle East at the Security Council.

New York, July 21, 2005.

Mr. President,

We thank you for providing the general membership with an opportunity to proffer their views on the situation in the Middle East, by scheduling this open debate of the Security Council. We would also like to take this opportunity to congratulate Mr. Alvaro de Soto for his recent appointment as the United Nations Special Coordinator for the Middle East Peace Process and for his comprehensive briefing this morning.

Mr. President,

This meeting of the Security Council comes at a critical time in the Middle East. The Secretary-General had recently noted the prospects of a positive conjuncture in the Middle East peace process when he said, and I quote: "Recent events in the Middle East have raised hopes of a possible resumption of the peace process between Israelis and Palestinians. We have witnessed the successful completion of Palestinian presidential elections on 9 January 2005, followed by the convening of the Summit at Sharm El Sheikh on 8 February 2005, where Israeli and Palestinian leaders announced a series of commitments to end violence, and to rebuild trust and mutual confidence" Unquote.

Israel's proposed withdrawal from the Gaza Strip and parts of the northern West Bank is scheduled to take place next month. The international community is hopeful that the withdrawal would represent a step in the broader process and would be used as a springboard to revitalise the Roadmap. It is essential for the Israeli and Palestinian sides to coordinate the economic, civilian and security aspects of the withdrawal. The withdrawal must take place as scheduled and, in this context, the decision of the Israeli Knesset yesterday to vote down three resolutions aimed at delaying the withdrawal is a welcome development. We hope that the withdrawal will be full and complete and will be followed by negotiations on final status issues.

Unfortunately, recent events, including an escalation in violence, have threatened the hopes for progress that the past few months have represented.

The recent suicide bombing in Netanya, Israel, and rockets fired from Gaza were condemnable acts. We call upon the Palestinian Authority to continue to make every effort to prevent such actions. At the same time, Israel's resumed forceful actions in response to these attacks, including targeted killings, could seriously compromise the calm that has prevailed in the past few months. While we recognise Israel's legitimate right to self-defence, we have also cautioned that any such moves should be exercised proportionately and in conformity with international law.

Israel's ongoing construction of the separation wall remains a source of deep concern to the international community. As we have stated in the past, no one could have objections to the construction of the wall in areas coinciding with the green line.

Its encroachment on Palestinian land and interests create great hardships for the people affected by its construction and exacerbates the situation. Besides, continued construction of the wall on Palestinian land threatens to prejudge the eventual outcome of the final status negotiations between the parties.

We recall, in this connection, the Advisory Opinion of the International Court of Justice on the legal consequences of the construction by Israel of the wall in the occupied Palestine territory. The Court had opined that the wall is contrary to international law and should be dismantled. We had called on Israel to take full account of the Advisory Opinion, in keeping with the overwhelming international opinion in the matter, with a view to its early implementation.

We once again renew our call to Israel to take note of the recommendations in General Assembly resolution ES-10/15 of 2 August 2004, based on the Advisory Opinion of the International Court of Justice. We also call upon the Secretary-General to establish the Register of Damage, as recommended by the same General Assembly resolution, at the earliest.

One of the primary obligations under the Roadmap was the requirement for Israel to halt all settlement activity, including natural growth, and to dismantle settlement outposts erected since March 2001. We call upon Israel to fulfil its obligations and desist from any further settlement construction activity. This will also serve as an important confidence-building measure.

Mr. President,

At this juncture, it is critical for the international community, in particular the Middle East Quartet, to carefully monitor the situation and to work closely with the parties with a view to encouraging them to fulfil their commitments and obligations. At the same time, it must be ensured that vested interests on both sides are not allowed to derail the process, thereby once again damaging the real prospects for peace in the Middle East. Notwithstanding the recent discouraging events, we are confident that a just and comprehensive solution to the conflict would be attainable. We call upon all sides to work together assiduously to achieve the vision of two States living side by side in secure and recognised borders, based on Security Council resolutions 242, 338, 1397 and 1515.

Thank you, Mr. President



712. Statement by A. Gopinathan, Deputy Permanent Representative at the UN at Informal Consultations of the Sixth Committee on Draft Comprehensive Convention on International Terrorism.

New York, July 25, 2005.

Mr. Chairman,

We thank you for organising these informal consultations in response to the sense of urgency shown in the recommendations contained in the reports of the High level panel and of the Secretary-General for the early adoption of the comprehensive Convention on international Terrorism.

Mr Chairman,

The recent horrific attacks in London, Sharm-el-Sheikh and elsewhere in the world have shown the emergence of terrorism with a renewed vigour. We express our deepest sympathy and condolences to the victims and their families, and the Governments and the people of these countries. The seriousness and consistency of the threat posed by terrorism

to civilised society anywhere, irrespective of political affiliation or ideology, have been brought home once again. Most important, for our purposes, it has reinforced the urgent need for a global consensus on dealing with it.

While the Security Council has been justifiably proactive on the counterterrorism agenda, we believe it is equally important for the general membership to engage on this critical issue. The Secretary-General has called for a comprehensive counter-terrorism strategy to be adopted by Heads of State and Government at the High-Level Plenary meeting in September. The international community must endorse his call. In order to close the existing major gap, my delegation strongly supports the conclusion of a comprehensive Convention on international terrorism during the early part of the Sixtieth session of the General Assembly.

We have welcomed the adoption of the International Convention for the Suppression of Acts of Nuclear Terrorism, initiated by the Russian Federation, and look forward to its early entry into force. We call on all Member States to reiterate the international community's clear condemnation of terrorist acts and their resolve to deal with the scourge with determination. At the recent informal consultations on the draft outcome document convened by the president of the General Assembly, a vast majority of Member States had supported the adoption of the comprehensive Convention at the earliest. We urge all member States to capitalise on the new momentum at the UN and conclude swiftly the draft comprehensive Convention on international terrorism. This will complement the broad legal framework set out in Security Council resolutions and the 13 UN counter-terrorism Conventions.

Mr. Chairman,

We are encouraged by the atmosphere of renewed interest in finalising the comprehensive Convention on international Terrorism. The ad hoc Committee has to seize the new momentum created by the recent reports of the High level Panel and the Secretary-General. Time has come to demonstrate once again the flexibility as had been shown in April which had led to the adoption of the Convention for the Suppression of acts of Nuclear Terrorism. We appeal to every delegation to show utmost flexibility, spirit of accommodation and compromise in finalising the draft Convention in this meeting, paving the way for its adoption during the early part of the

Sixtieth session. On our part, we stand ready to extend to you all co-operation and to work with other delegations in completing our task expeditiously.

Thank you, Mr. Chairman.



713. Intervention by Ambassador Nirupam Sen, Permanent Representative at the UN at the Informal Consultations of the Plenary on the Revised Draft Outcome Document of the High-level Plenary Meeting of the General Assembly (Cluster I).

New York, July 28, 2005.

Mr. President,

We salute you for your leadership and thank you for your transparency and inclusiveness. We shall follow your advice to be interactive. We appreciate the increased coverage of development issues in the Outcome Document. We do not intend to repeat what we have said in earlier statements or what has been said by colleagues or that which may be in the Outcome Document with which we are in agreement. We shall, therefore, confine ourselves to specific suggestions giving the rationale where necessary.

The MDGs embody a quantifiable vision of human dignity and solidarity and of certain important economic and social rights. In this sense, they carry forward the right to development. Respect for all human rights, including the right to development, should, therefore, form an integral part of the values and principles. We agree with the delegation that said that Charter values and principles should not be mixed with understandings and agreements reached subsequently. You, Mr. President, have also sought our views on para 4. As a compromise between what this delegation has correctly said and the ducks and drakes that the drafters have played with para 4, it would be better to adhere to the language of para 4 of the Millennium Declaration which has been suggested by G-77 as 4 bis in their written submission of July, 2005.

We agree that global economic governance is as important as good national governance. An important component of this is corporate social responsibility. To para 20 bullet 3, we would propose an addition on the lines of para 45 of the Sao Paulo consensus. We would be happy to supply language separately.

The delegation that spoke before me said that we should not pre-judge the negotiations in the WTO, including the Hong Kong meeting. We have no wish to pre-judge if only, in the biblical phrase, not to be pre-judged ourselves. The idea is not to pre-judge but for the Summit to give political guidance to the WTO Hong Kong meeting. The delegation also spoke of generosity. The developing countries are looking not for generosity but for fairness. To continue the biblical phrase, they are looking not for the Pasture but the Presence. In the first bullet of para 24 on trade, we would like to include specific mention of a special safeguard mechanism, substantial reduction of trade distorting domestic support and elimination of export subsidies by developed countries in the agriculture sector and a successful resolution of outstanding implementation issues. I would support my colleague who urged the inclusion of the principle of special and differential treatment, adding that this is particularly necessary in the case of agriculture and non-agricultural market access. We must remember that as early as UNCTAD of 1964, it was stated that "any definition must provide for elimination of all forms of discrimination, even those arising from so-called equal treatment. Treatment must be fair and fairness is not equality; fairness is the inequality needed to enable exploited peoples to attain an acceptable standard of living." You will notice, Mr. President, that my colleague and I are on the same side on development though on opposite sides on some institutional issues and I cannot resist noting that is being on our side on these issues would have brought him closer to achieving the developmental goals in which he believes.

The huge inequality of wealth, the unfair system of voting in IMF, the control of markets and media by the rich and powerful produce not an international democratic governance but an international dictatorial governance. On the one hand, globalization means high interest rates and on the other, low deficits. Both reduce economic activity as well as social expenditure. At the same time, terms of trade move against primary commodities and debt service obligations remain high. In this context, IMF restructuring and conditionalities promote agri-exports at the cost of food-

grains, leading to lower food availability and famines. Therefore, reform of the IMF is a must and we need to tackle the central structural issue of voting power. Therefore, in para 26, we would suggest adding after Bretton Woods institutions "through addressing the central structural issue of voting power". Without concretely addressing the systemic issue, we would not be able to achieve developmental goals. One cannot simply replace a piece of machinery in the factory and carry on as before. As we have been telling our colleague mentioned earlier and his friends, what is needed is a complete shift of power. Another fundamental issue that has not been appropriately addressed is equitable access to natural resources which is seriously hampered by unsustainable patterns of production and consumption in the developed world. Threats to the global environment primarily emanate from these. This needs to be clearly reflected with the logical conclusion (in the chapeau of para 33 after "sustainable production and consumption patterns") "with developed countries taking the lead and with all countries benefiting from the process". Keynes had said that in the long run we shall all be dead. He forgot that unless we do something about the long run, we shall be dead in the short run. Therefore, in paragraph 33, at the end of bullet 6, we would like to add "as well as the long term reconstruction and rehabilitation needs of the affected countries" (so important for small islands developing states).

We welcome the emphasis provided by the revised outcome document to the special needs of Africa. We note that the document emphasizes the strengthening of cooperation with NEPAD through coherent support for the programme drawn up by African leaders. We have consistently held that Africa knows its own challenges best as well as the solutions to those challenges. African countries have already demonstrated their commitment to advancing the implementation of NEPAD. Africa needs support for the solutions that have been identified. According to relatively recent statistics, 29 OECD countries spent \$ 550 billion on R&D - more than the combined economic output of the world's 30 poorest countries. There are more telephone lines in Manhattan than in the whole of Africa. Without the use of science and technology to bridge this divide, development goals cannot be achieved. A Technology Fund is, therefore, called for. At the turn of the century, the debt service payments by developing countries amounted to \$ 78 billion. Through the mechanism of grant/debt write off a swap of only 1.3 per cent of this debt service would raise 1 billion for technology research. Similarly, to check the misuse of biogenetic resources of developing countries, the UN should take the lead in creating a traditional

knowledge and resources digital library linked to the international patent specification systems. An important reason for the economic gap we have referred to is technology restriction and technology denial regimes. Integration of the development dimension in the rule making process in the IPR regime so as to facilitate transfer of technology to developing countries needs to be clearly addressed and spelt out. This can be included at the end of bullet 2 of para 37.

In the interest of brevity, Mr. President, we shall separately submit our written suggestions on the text of the Outcome Document.

Thank you, Mr. President.



714. Intervention by Ambassador Nirupam Sen, Permanent Representative at the UN at the Informal Consultations of the Plenary on the Revised Draft Outcome Document of the High-level Plenary Meeting of the General Assembly (Cluster IV).

New York, August 2, 2005.

Mr. President,

I would like to join other delegations in complimenting you on the manner in which you have conducted these discussions and on your leadership.

In earlier statements, my delegation has emphasised the importance that we attach to institutional changes for strengthening the United Nations. The touchstone for these changes would be the enhanced responsiveness of the organization and the UN system to the needs and concerns of the developing countries, apart from their ability to meet challenges of the coming years.

On the proposed Human Rights Council, we would reiterate that the challenge before us is to design a body that would move away or reduce the politicisation and divisiveness that has beset the Commission on Human Rights. The Council should be a shield for people not a sword of coercion

against countries. We agree that the Council should be established as a subsidiary organ of the General Assembly and its members elected directly by the General Assembly on the basis of equitable geographical distribution. We are not sure whether paragraph 131 on the mandate of the proposed Council encompasses all the elements that are required or whether those listed there are practicable and fully achievable. In this sense, we find these elements to be selective and perhaps incomplete. We are ready to discuss with other delegations various aspects of the proposed Council so as to adopt a decision on the modalities, mandate, procedures and working methods of the proposed Council and the transitional arrangements.

Mr. President,

We find that several new proposals have appeared or new elements have been added to existing proposals in the revised version of the draft outcome document. While such proposals may or may not have merit, the objectives underlying these proposals and their implications need to be clearly explained and understood. Such proposals have to be carefully considered in much greater detail and further developed. Here we are referring to the proposals in paragraphs 139, 140, 141, 144, 146 and 147. In addition, we must also avoid loading a high-level document with such minutiae as setting up new offices in the Secretariat which are routine functions of the General Assembly.

The case for providing greater flexibility to programme managers has not yet been made. Flexibility in terms of authority to redeploy posts has been given to the Secretary-General during the current budget period. In any case, as we have pointed out earlier, it is doubtful that Member States can agree to provide even greater flexibility as long as issues regarding accountability and transparency in the operation of the Secretariat are not addressed. Paragraph 136 thus requires appropriate reformulation. The same is true for the proposed review of human resources management and budgetary rules in paragraph 137. With regard to the pursuit of gender balance in the Secretariat, our concern that this has so far been pursued to the detriment of representation of women from developing countries has not been taken into account. In para 148, it would be useful to add after the first sentence "and urge that the problem of continuing low proportion of women from developing countries in the Secretariat, especially at the senior level should be addressed". Also, in para 140, in the last sentence, after

"OIOS and" the phrase "implementation of the recommendations of" should be inserted because since the Board of Audit is composed of Auditors of member States elected by the General Assembly, the Audit Advisory Committee assessing the Board of Audit may not be acceptable to the GA.

Mr. President,

The UN system, particularly the Funds and Programmes and Specialised Agencies, can play an important role in assisting developing countries in their efforts to achieve the Millennium Development Goals. The primary requirement for enhancing the capacity of the UN system to achieve development results is, no doubt, the predictability, long-term stability, reliability and adequacy of its funding, especially "core" funding. It is important that we strengthen the operational arm of the UN by providing it with stable, reliable, untied and adequate flow of resources to equip the UN system for the role that we as Member States expect of it. The relevant bullet of Paragraph 151 needs to be reformulated appropriately.

We propose the deletion of the bullet referring to the "main horizontal policy themes". Guidance for the UN system's operational activities for development has recently been provided in General Assembly resolution 59/250 on "Triennial Comprehensive Policy Review of the Operational Activities for Development of the UN System". In our view, therefore, there is no need to provide new guidance to the UN system under this Cluster on operational activities.

It would be useful to separate 'Operational Activities' from 'Humanitarian Assistance'.

Under the Operational Activities section, the language needs refinement, firstly, to clarify that it is the UN country presence that is being referred to and, secondly, to reflect the accepted principle that the activities of the UN at the country level are to be "fully" aligned with the country strategies.

Under Humanitarian Assistance, we would emphasise the need for humanitarian assistance to be guided by the principles of humanity, neutrality and impartiality contained in the annex to General Assembly resolution 46/182. We would also recommend that the reference pertaining to access to vulnerable populations be deleted to avoid politicisation of the important

discussion of humanitarian assistance that is being attempted in the draft outcome document. There is need to strengthen the references to inter-agency and country level responses to the needs of the internally displaced persons.

Mr. President,

As I said during discussions on the Second Cluster, the Yalta-Potsdam system of dominance meant dividing the world into blocs, ruling over colonies, maintaining a monopoly on permanent membership of the UNSC, on nuclear, space and other technologies and gerrymandering trade in their favour. This system has ended geopolitically in Europe. In other areas, the dominant powers have given way when they were forced to by anti-colonial struggles, non-alignment, anti-apartheid struggle and the mastery by other countries of nuclear, space, information and other technologies. The same would be true of the UN Security Council. We would, therefore, say to the Uniting for Consensus: Do not prolong the death agony of the Yalta-Potsdam system of dominance. The London Agreement between the G-4 and the African Union Follow-up Mechanism is a decisive moment in ending this system.

Far from damaging solidarity with Africa as one of the permanent members feels, it would cement solidarity, overcome division and strengthen unity. A delegation that spoke shortly before said that what we propose doing is a violation of the Modalities Resolution. This Resolution speaks only of modalities for the High Level event. By no stretch of imagination does it postulate that there would be a violation of the Rules of Procedure of the GA or Resolution 53/30 if there is action on any proposal before the General Assembly. Far from hindering reform such action would give synergy to all other aspects of the reform process. As far as we know the Red Flag has no reference to train wreck: it has always been a flag of the dispossessed, seeking equality, a flag for radical ideas.

The same delegation referred specifically to "the US proposal" and echoed the non paper or speaking note of one of the permanent members called "Defeating the G-4 Framework Resolution on UN reform": "While there is a broad consensus regarding the need for Security Council expansion, major differences exist regarding what kind of expansion should occur". The defenders of democracy have been reduced to this. Hopefully, they will discover that there are things that cannot be reached with power

and others that cannot be retained by it and that there is courage found in men that cannot be overcome by it. They do not seek to defeat the UFC Resolution because it does not threaten their power. They do not need to defeat the AU Resolution if they can defeat the G-4 Resolution because it is more radical. According to this note, the reform should "do no harm"; this English expression means something that can do no good either. Above all, harm to whom - to some of the permanent members or the GA. I empathise with the small countries under pressure. But only through bearing the pressure and bringing about radical reform can they enter an era of justice where such pressure can be minimised if not eliminated. Only through resisting can they come into their own. In any case, we are looking not to a G-4 Resolution but a joint AU-G-4 Resolution. The choice before the GA remains the same - does it defeat the Resolution and remain devitalized or defeat those calling for defeating this Resolution and thereby revitalize itself.

A country to the north of here says that it knows of no democracy in which the single election is sufficient to entitle the winner to remain in office in perpetuity. It only has to look at itself to find a democracy that is willing to keep unchecked in perpetuity the dominance of the existing great powers, quite apart from ignoring the accountability inherent in the right of review. The intervention by the Swiss Representative on working methods reinforces the need to have new permanent members committed to these. We would support a stronger formulation on working methods. We do not share the objection of another delegation to the word 'legitimacy' and support the existing formulation in the Draft Outcome Document.

The reason is that there is a difference between legality which actions possess and legitimacy which is a political concept implying wide acceptance if not support; moreover, there is always scope, especially in this sense, for greater legitimacy.

Mr. President,

In conclusion, let me say that we have progressed, but have still not appropriately reflected the concerns expressed by Member States in the consultations held over the last couple of months. We should not miss this opportunity to comprehensively address the expectations of the vast majority of the membership on issues of socioeconomic development, particularly the eradication of poverty and the development of social infrastructure. We appreciate the efforts you and the facilitators have taken to fine-tune the

document to reflect the views of the larger membership and this should continue. We remain optimistic that the High-level Plenary Meeting of the General Assembly will mark a water-shed in the history of the United Nations, heralding its rebirth as an institution in which its members repose their faith as well as their aspirations.

Thank you, Mr. President.



715. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on the Situation in Afghanistan at the Security Council.

New York, August 23, 2005.

Mr. President,

Please allow me to congratulate you on your assumption of the Presidency of the Security Council for the month of August. I would also like to take this opportunity to congratulate Greece for its successful conduct of the Presidency of the Council for the month of July. I would also like to thank Mr. Jean Arnault, Special Representative of the Secretary General for Afghanistan for his comprehensive briefing and congratulate him and UNAMA on their valuable work in the fulfillment of their mandate in Afghanistan.

It has been a year since the Council last held an open debate on Afghanistan. I wish to take this opportunity to thank you, Mr. President, for scheduling this open debate on a critical issue that is so vital for the future of Afghanistan, regional security and, indeed, international security, particularly in the context of the struggle against terrorism. Needless to say, this issue therefore continues to require the most careful attention of the international community.

In his latest report of 12 August 2005 on Afghanistan, the Secretary-General concluded that the Bonn Process had enjoyed some remarkable achievements, in particular the transition to elected political institutions. He has correctly credited these achievements to the steadfastness of the Afghan

people as they struggle to emerge from the devastation of more than two decades of war. Indeed, the Afghan Government, under President Karzai's leadership, has made commendable progress since the Bonn Agreement of December 2001. The installation of the Interim Authority followed by Transitional Administration, holding of Constitutional Loya Jirga, adoption of a new Constitution and successful conclusion of presidential elections on October 9, 2004, were milestones in the Bonn Process. President Karzai's re-election was a manifestation of the strong desire of Afghans to participate in their country's political process.

The international community now looks forward to a successful conclusion of the forthcoming parliamentary and provincial elections next month, which will mark a successful conclusion to the formal Bonn Process. We are confident that the present democratic process in Afghanistan would lead to the establishment of a strong and vibrant Parliament that would be able to play its due role in the development of the country. India has been privileged to be associated with the construction of the Afghan Parliament building, which will be a symbol of the friendship and cooperation between the two countries. As part of India's contribution to the UNDP project on "Support to the Establishment of the Afghan Legislature (SEAL)", to build capacities, 30 Afghan Parliamentary officials are undergoing training at the Bureau of Parliamentary Studies and Training (BPST) of the Lok Sabha Secretariat in New Delhi.

Unfortunately, as pointed out by the Secretary-General in his report, the completion of the political transition is a vital step, but this alone is not enough. The Secretary-General has drawn attention to the fact that Afghanistan today is suffering from a level of insecurity, especially in the south and parts of the east, not seen since the departure of the Taliban. He has drawn attention to the rising level of insurgency in the country as also the sophistication of the insurgents' weaponry. While pointing out that the southern and parts of the eastern regions of the country had borne the brunt of the recent upsurge in violence, the Secretary-General has expressed particular concern about the growing influence of non-Afghan elements in the security environment. Attacks by extremist elements, including those claiming allegiance to the Taliban and Al-Qaida, he has reported, take place on an almost daily basis. He has also observed that the Taliban and Hezb-Islami-Gulbuddin Hekmatyar are not autonomous operations and that their external sources of support must be tackled and that the insurgency's

sources of funding, training and safe haven must also be effectively addressed. The successes achieved so far in the security sector have included the disarmament, demobilization and reintegration programme and the containment of factional clashes which, as the Secretary-General has reported, had become a localized issue and no longer a threat to national security.

The continuing external support to extremist elements is aimed at undermining the central authority of the Afghan Government as these incidents of violence prevent the expansion of State authority, hinder reconstruction efforts and stall the democratic process. Presidential elections in October 2004 clearly showed that given the necessary will, such cross-border terrorism can be controlled and contained. A statement by the UN Assistance Mission in Afghanistan (UNAMA) yesterday provides a troubling assessment that despite the positive impact of campaigning and voter registration ahead of Afghanistan's parliamentary and provincial elections, the threat of violent attacks would have an impact on the process. It is clear that these extremist elements and their sponsors have decided to attack "soft targets" such as candidates, election officers, aid workers, local religious leaders and others. It appears that elections were not the only target of these groups, their objective being the long-term destabilization of Afghanistan. The tap that controls the influx of extremist elements must not only be closed for the forthcoming parliamentary elections, it must be shut off for good. We are in full agreement with the assessment of the Special Representative of the Secretary-General for Afghanistan in his briefing to the Security Council in June 2005 that the international response to thwart the destabilization strategy could not be limited to combat operations on the ground. It was necessary to resolutely attack the financing, the safe havens where they are trained and the networks that supported them. The recent bombings in London have once again highlighted the international ramifications of terrorist networks and the infrastructure sustaining them.

The international presence in Afghanistan provided by the NATO-led International Security Assistance Force (ISAF) and the US-led Coalition forces may be required at this stage but we feel that to address threats to national security, both internal and external, indigenous Afghan security structures should be put in place as early as possible. In collaboration with the Afghan government and International partners, India is ready to provide any assistance that would help in speeding up the rebuilding of the Afghan

National Army and Police Force. India remains fully supportive of efforts aimed at the expansion and consolidation of the authority of the central government all over Afghanistan. The enormous task of rebuilding Afghanistan can only be achieved through united efforts of the Afghan leadership and its people.

Mr. President,

Afghanistan remains the largest opium-producing country in the world, providing nearly 87% of the world's supply. This accounts for an estimated 60% of Afghanistan's 2004 GDP. Drug trafficking is feeding criminal and terrorist activities. The continued increase in the cultivation, production and trafficking of narcotic drugs could undermine the political and economic reconstruction of Afghanistan and has potentially dangerous repercussions for the region and beyond. In response to a request by UK, lead nation for tackling the drug problem, for contributions to the recently established Counter Narcotics Trust Fund, India is exploring the possibility of taking up a pilot project on community development programme to wean away farmers from poppy cultivation.

As part of the international effort, India is committed to supporting the economic rehabilitation and reconstruction of Afghanistan. As the 6th largest donor country for Afghanistan's reconstruction, India's current commitment exceeds US \$ 500 million, a substantial amount for a non-traditional donor like India. Of this amount, projects amounting to US \$ 480.82 million have already been operationalised or completed. These include food assistance of 1million tons of wheat supplied through the World Food Programme (WFP) to feed around 1 million Afghan school children every day; construction of the 220kV Double Circuit Transmission Line from Pul-e-Khumri to Kabul and a sub-station at Kabul; reconstruction of a 219-kms road (Zaranj - Delaram road) at an estimated cost of US \$ 84 million in southwestern Afghanistan, which will provide an additional outlet to the sea via Iran; reconstruction and completion of the Salma Dam Power Project in Herat province at an estimated cost of US \$77 million; contribution of US \$ 200,000 per annum to the World Bank-managed Afghan Reconstruction Trust Fund; and gifting of 300 vehicles to the Afghan National Army.

In addition to this, India has undertaken, in partnership with the Afghan government, projects in virtually all part of Afghanistan covering a

wide range of sectors, including hydro-electricity, road construction, agriculture, industry, telecommunications, information & broadcasting, education and health. Some of the important projects include provision of 400 buses for public transportation; 3 Airbus aircraft to Ariana Afghan Airlines; Indian Medical Missions in Kabul, Mazar-e-Sharif, Herat, and Kandahar; rehabilitation of Habibia School and Indira Gandhi hospital; setting up of a common facility and tool room centre at the Industrial Park in Kabul; emergency restoration of basic telecommunication networks in 11 provincial capitals; setting up of power transmission lines and substations in Faryab province; 105 utility vehicles to Kabul Municipality; restoration/ augmentation of TV hardware in Jalalabad and Nangarhar Provinces; and training in India of over 800 Afghans in different fields.

Mr. President,

The emergence of a strong, democratic and prosperous Afghanistan is essential for peace and stability in the region and beyond. In a few days, the Prime Minister of India Dr. Manmohan Singh will be visiting Afghanistan in an endeavour to strengthen and support democracy and economic growth in all possible ways. In his own words, the Prime Minister has stated, "We have had historic links and relations with Afghanistan. It is our desire to see Afghanistan prosperous and strong".

Thank you, Mr. President.



716. Remarks by Prime Minister Dr. Manmohan Singh at the launching of UN Democracy Fund.

New York, September 14, 2005.

"I am honoured to be present here with President Bush and Secretary General Kofi Annan and other leaders at the launch of the UN Democracy Fund. This was proposed by President Bush at the UN General Assembly last year and has received widespread acclaim. Its relevance is underscored by its becoming a concrete reality in just a year's time.

May I take this opportunity to express our solidarity with the people of New Orleans and other regions, devastated by the destructive fury of Hurricane Katrina? Mr. President, you have our sympathies and support in your efforts to bring relief and succour to the people affected by this disaster.

Excellencies, India is proud of its democratic heritage which is rooted in the country's cultural ethos of tolerance, respect for different view points and a ready embrace of diversity. Mahatma Gandhi led us into a non-violent struggle not only to free India from colonial rule but to also ensure to our people the exercise of their democratic rights. To him it was clear that the end to colonial rule would mean very little unless the broad masses of the people of India were empowered with democracy. We were also inspired by the ideals of freedom, equality and justice that were the hallmarks of the great French and American revolutions. India's awakening to freedom, in turn, inspired freedom movements in Asia and Africa. A whole family of independent and proud nations took their place on the world stage. India sympathized with and supported their struggle to become masters of their own destiny. For us, the democratic ideal is a common heritage of mankind. Those fortunate to enjoy its fruits have a responsibility to share its benefits with others.

As the world's largest democracy, it is natural that India should have been among the first to welcome and support the concept of a UN Democracy Fund. We believe that democracy based on universal adult suffrage empowers the most humble citizen of our country and give him a sense of dignity. Poverty, illiteracy or socio-economic backwardness do not hinder the exercise of democracy. Quite the contrary, our experience of more than 50 years of democratic rule demonstrates how democracy is a most powerful tool to successfully overcome the challenge of development. But most of

all, democracy alone gives the assurance that the developmental aspirations of the poorest citizens of our society will be taken into consideration. This above all, is the unique strength of a democratic system.

Democracy is a powerful ideal, but its successful exercise requires strong and enduring institutions, laws and procedures and the development of a parliamentary culture, whose essence is the accountability of those in authority to the ordinary citizens of the country. A strong and independent judiciary, a free press, professional civil and military establishments, constitutionally empowered institutions to safeguard the rights of minorities, of women and children and an independent electoral mechanism; these constitute the veritable nuts and bolts of democracy. There is also the critical aspect of education. The culture of democracy or the democratic temperament must be imbibed by citizens from a very early age. They must become aware of both their rights as individuals, but also their responsibilities and obligations as citizens.

Excellencies, we welcome the launch of the UN Democracy Fund, because it gives us an instrument to build the institutional and human capabilities that are necessary to underpin the successful exercise of democracy. India has been sharing its rich experience, institutional capabilities and training infrastructure with nations that share our values and beliefs and request our assistance. We are prepared to do much more, both as active participants in the Democracy Fund and in the Community of Democracies.

In this connection, I wish to announce that we will soon be establishing a virtual centre on the internet for providing information on democracy and a forum for the exchange of experience. We intend to harness new and innovative technologies, including distance learning and satellite networks, in the endeavour. We welcome partners in this initiative.

Excellencies, we live in an age of globalization which is bringing new opportunities each day in our quest to overcome the age-old challenges of poverty, ignorance and disease. If we wish to ensure that the relentless advance of globalization does not leave, in its wake, large pools of the dispossessed, then we must empower the voiceless. Only democracy can ensure that they, too, become stakeholders in a millennium of peace and prosperity that we, in the United Nations, seek to accomplish.”



717. Address by Prime Minister Dr. Manmohan Singh, at the High-Level Plenary meeting of the 60th session of the United Nations General Assembly.

New York, September 15, 2005.

Mr. Co-Chairman,

I bring the best wishes and felicitations of the people of India to this august assembly meeting in its historic 60th Session. India has a special regard for the United Nations. The ideals of the UN run parallel to our own civilizational ethos. This is the ancient Indian concept of "Vasudhaiva Kutumbakam" or "the whole world is one family".

It is this idea of a shared destiny which encouraged this august assembly, five years ago, to adopt the Millennium Development Goals.

May I also take this opportunity to convey our deep condolences and sympathies to the Government and people of the United States on the widespread destruction caused by hurricane Katrina.

At the turn of the century, humanity was faced with a contradictory turn in its evolving history. On the one hand, we were faced with the contemporary challenges of pandemics like HIV/AIDS, environmental depredation on a planetary scale and terrorism targeting nations across the world. There has been growing recognition that these challenges cut across national borders and demand a global response. At the same time, there was a new sense of hope and optimism. The world community welcomed the fact that advances in science and technology had made it possible as never before in human history to mount a frontal attack on global poverty, ignorance and disease. We had confidence in mobilizing through the United Nations, the collective will and wisdom of nations to herald a new era of peace and prosperity. Five years later, we find that the international community is generous in setting goals, but parsimonious in pursuing them. We must make greater efforts to mobilize immediate resources necessary to meet the Millennium Development Goals. This would be a wise investment for the future. Failure will only make our task in the future more difficult and more costly.

Excellencies, we in the developing world face a dual challenge. First, there is the domestic one of managing political, economic and social change

in an environment of rising expectations and growing disparities as well as the global challenge of securing for ourselves an international environment conducive to meeting our developmental aspirations. These challenges are interlinked in our globalized world and success or failure in this double quest would have global consequences.

We welcome the agreement reached on the Draft Outcome Document to be adopted tomorrow. It is a roadmap for the work ahead to re-orient the Organization to meet the challenges of the present. India will be a willing participant in this process. All of us assembled here recognize that the United Nations is in need of urgent and comprehensive reforms. The management of global interdependence requires strong international institutions and a rule-based multilateral system. The reform of the United Nations must be based on this principle. It must include the expansion of the United Nations Security Council in both permanent and non-permanent categories of membership. Unfortunately, the United Nations suffers from a democracy deficit. Its structure and decision-making processes reflect the world of 1945, not the world of 2005. Unless it becomes more representative of the contemporary world and more relevant to our concerns and aspirations, its ability to deliver on the Millennium Development Goals, indeed on its Charter obligations, will continue to be limited. Mr. Co-Chairman, in a democracy, it is the rule of law and transparency which safeguard the interests of the ordinary citizen. At the global level too, we need to ensure that multilateral rules governing the flow of goods, services and capital take adequate account of the needs and aspirations of developing countries. The world awaits a "New Deal" to spur development and create jobs on a global scale. It must address the challenge of eradicating mass poverty and pandemics like HIV/AIDS and other deadly communicable diseases. We need collective thinking and coordinated action to deal with the challenge of ensuring energy security, even while we address the consequences of climate change. We must turn the global outpouring of sympathy and mobilization of resources in response to national disasters into a more sustained effort to deal with apparently less dramatic, but in the long run, more damaging crises. We must renew our efforts to secure the world against nuclear proliferation and to promote global non-discriminatory nuclear disarmament. Failure to address the global challenges that I have mentioned in a timely fashion can only turn them into unmitigated disasters eventually.

Mr. Co-Chairman, democratic governance both within nations and

in our global institutions would also constitute a powerful weapon in meeting the global scourge of terrorism. We must not yield any space to terrorism. We must firmly reject any notion that there is any cause that justifies it. No cause could ever justify the indiscriminate killing of innocent men, women and children. For several years, India has faced crossborder terrorism directed against its unity and territorial integrity. We shall never succumb to or compromise with terror in Jammu and Kashmir or elsewhere.

Sir,

In 1947, India's first Prime Minister Jawaharlal Nehru said, and I quote "Peace has been said to be indivisible; so is freedom, so is prosperity, and so also is disaster in this One World that can no longer be split into isolated fragments". Today these words assume a compelling logic. In this One World there is only One United Nations. If we fail the United Nations, we will fail succeeding generations, who will expect a more enlightened legacy than is currently in sight. Globalization offers exciting opportunities to improve living standards world-wide provided the weak and the powerless are empowered to become genuine partners in progress. The world community, therefore, must muster the courage to harness the potential of globalization for the benefit of entire humankind.

I thank you, Mr. Co-chairman.



718. Statement by K. Natwar Singh, Minister of External Affairs at the General Debate of the 60th session of the United Nations General Assembly.

New York, September 19, 2005.

Mr. President,

Your election as President of the 60th Session of the General Assembly comes at a significant moment in the history of the United Nations. The Outcome Document adopted by our Heads of State and Government at the beginning of this Session represents the culmination of a long process. This started with the report of the Highlevel Panel on Threats, Challenges and Change. It continued with the Secretary General's "In Larger Freedom" report, and the efforts of your distinguished predecessor to synthesize these ideas for the consideration of the Member States. We thank all those involved for their dedicated efforts.

We are united in our commitment towards multilateralism and this is a good foundation for our further efforts.

Mr. President,

All countries and especially those from the developing world played a significant role in the negotiations on the Outcome Document. Much was achieved. Much has been left incomplete. There are foundations on which we have to build but there are also shortcomings which we need to correct in the process of implementation. A notable omission is the theme of disarmament. Our struggle for multilaterally negotiated, universal and verifiable nuclear disarmament, in a time bound manner, has to continue with vigour. The Outcome Document must serve as a Road Map, with its main elements as signposts in the discussions that would follow, in the coming months, under your stewardship.

Mr. President,

You have suggested for the general debate, a most appropriate theme for discussion, "For a stronger and more effective United Nations: the Follow-up to, and Implementation of, the High-Level Meeting in September 2005". We believe this captures the spirit and essence of all that we, co-partners in the United Nations, wish to achieve.

Mr. President,

We are the world's largest democracy. There is no precedent in history of a democracy of over one billion people. It is a tremendous undertaking. Also an exciting and inspiring one. We are breaking new ground. That Indian democracy works is a political miracle. The credit goes to the Indian voters. They ensure that India remains secular, democratic and pluralistic.

We also believe that we need to do much more to inculcate respect and acceptance of pluralism. I am reminded of what the Father of our Nation, Mahatma Gandhi said and I quote:

"I do not want my house to be walled in all sides and my windows to be stuffed. I want the cultures of all the lands to be blown about my house as freely as possible. But I refuse to be blown off my feet by any".

Mr. President,

Humankind is now learning to cope with the menace of terrorism. This evil is increasingly directed at innocent civilians. It invites the strongest condemnation. We all agree that there can be no justification for terrorism. Whether it is terrorism or nonproliferation, unless there is a non-selective, uniform and sustained approach, the objective of the international community cannot be achieved. The Outcome Document reflects the joint resolve of the international community to fight terrorism. In our judgement, there is no better institutional setting than the United Nations capable of providing cohesion and vigour to these efforts.

As a victim of terrorism for the past two decades, India understands, and is fully supportive of, the need for United Nations action on counter-terrorism. A key aspect of the implementation of the Outcome Document will be the development and adoption by the General Assembly of a strong counter-terrorism agenda, to supplement the existing General Assembly and Security Council resolutions on counter-terrorism. As an initiator of the draft Comprehensive Convention on International Terrorism, India welcomes and is fully committed to the decision taken by the Heads of State and Government to conclude negotiations on the Convention during the 60th Session of the General Assembly.

Mr. President,

The main purpose of the Summit last week was to review the implementation of the Millennium Declaration. Unfortunately, most developing countries will not be able to achieve the Millennium Development Goals, given the current levels of their growth and levels of international support. We must strengthen efforts at both the national and the international levels for taking us closer to the development targets in the Millennium Declaration.

The Millennium Development Goals embody a quantifiable vision of human dignity and solidarity. Also of important economic and social rights. Yet, important objectives such as employment, critical for developing countries, are not included.

India's use of innovative financial instruments for rural infrastructural investment as well as our Rural Employment Guarantee Bill, I believe, may be of interest to other developing countries.

Most of us had much higher expectations from the Summit in the area of development, particularly in agreeing on definite time-tables for the achievement of the 0.7 percent target for Official Development Assistance. This is equally true of innovative sources of financing because developing countries cannot break out of the circle of poverty without enhanced resource flows and the application of science and technology to meet their developmental challenges.

As India's own economy develops and its technological advancement comes of age, we are expanding our economic and technical cooperation with the developing countries, reinforcing our political solidarity. We have extensive programmes in Africa and elsewhere in the developing world. We are also happy to have contributed to the South Fund for Development and Humanitarian Assistance. The India-Brazil-South Africa (IBSA) Facility for Alleviation of Poverty and Hunger is a good example of South-South Cooperation.

India has written off the debts of all the highly indebted poor countries. Given India's long-term association with and commitment to Africa we welcome the recognition given by the high-level plenary meeting on the need to urgently address the special needs of Africa. On its part India has

undertaken several initiatives in partnership with Africa. The Techno-Economic Approach for Africa-India Movement initiative is designed to promote technology transfer to West Africa. The pivotal role of scientific knowledge and technology for economic development cannot be overstated. India stands ready to share its experience with the developing countries in Africa and elsewhere. To bridge the digital divide within a country itself, which sometimes become as problematic as at the international level, Wireless In Local Loop Technology developed in India which eliminates expensive equipment and copper lines has already been used in several countries in Africa. India has put together a connectivity mission in Africa, using fiber optics and dedicated satellite. It will support tele-education, telemedicine, e-commerce and e-governance, infotainment, resource mapping and meteorological services. India is also earmarking US \$1.5 billion for lines of credit to assist developing countries, in particular those in Africa, fight HIV/AIDS and other pandemics.

The international community needs to address intellectual property regimes that seek to deny technologies rather than facilitating their transfer to the developing countries, including in the areas of environment and public health.

Although both the Millennium Declaration and the Outcome Document have spoken of exploiting the beneficial aspects of globalisation, we are yet to agree on and implement the modalities for such a process. Making the process of globalisation fairer and more equitable remains one of the main challenges of our time. At present, the accumulation of wealth is accompanied by the accumulation of poverty. Ruskin, the 19th century British author, in his "Unto this Last" (a favourite of Mahatma Gandhi) had described such wealth as "the gilded index of a far reaching ruin, a wreckers pile of coin gleaned from a beach to which he has beguiled an argosy." Poverty is sometimes attributed to lack of entrepreneurship: the poor of the world prove their entrepreneurship everyday by ensuring their families' physical survival.

Regrettably the Summit has not given a clear and comprehensive direction to the WTO Doha Round of trade negotiations. Formulae are not an end in themselves: the end has to be a decrease in poverty and an increase in employment. Therefore, equal treatment cannot be forced on unequal partners. Special and Differential Treatment remains an integral component in all trade negotiations, including agriculture and nonagricultural

market access. India, as a member of the G-20, will continue to promote in the WTO and elsewhere the interests of all developing countries, including the Small Island Developing States, the Least Developed, the Landlocked and the highly indebted poor countries.

An achievement of the developing countries in the Group of 77 is their hard fought and reasonably successful struggle for progress on systemic issues critical for good international economic governance. We have to build on this to ensure the reform of Bretton Woods institutions and the restoration of the central role of the UN in setting the international economic agenda.

A change in the composition of the UN Security Council is an imperative. The G-4 framework resolution has made UN reform a central issue, which can no longer be ignored or disregarded. There is a democracy deficit, as the Secretary General has also said in July, in the governance of the United Nations. There is not much point in speaking of inclusiveness, transparency and democracy and leaving the Security Council as a glaring exception to these principles. Measures taken so far to revitalise the General Assembly are not enough. Only by electing permanent members committed to rendering unto the General Assembly what is the General Assembly's can this be done.

This is essential for a world order in which decisions are optimal and therefore acceptable and the use of force minimal. Pandit Jawaharlal Nehru, India's first Prime Minister, aptly stated: "Above all we have to participate in the growing structure of a world order. We cannot rely on others to do it on our behalf." One cannot argue in favour of democracy in the rest of the world and leave the UN Security Council undemocratic. Effectiveness is a function of right decisions with broad support.

Negotiations on the Outcome Document and many subsequent statements have demonstrated that if more could not be achieved on the developmental aspects of trade in the Document, it is because the Security Council has not been made representative.

If institutional reform has been faltering and many are doubtful of securing a just solution, it is because the Security Council does not reflect the world of today.

The unsatisfactory progress on other issues shows that critics of UN Security Council expansion in both the categories were profoundly

mistaken. UN Security Council reform, far from hindering progress, was actually helping it. In its absence, fears of intervention have prevented agreement on a Human Rights Council and other issues. Therefore, UN Security Council reform remains more necessary than ever and should preferably, as the Secretary General has said, be completed by the end of the year. This should be our main priority. The UN Security Council reform is not about any country's prestige or power but about transforming the balance of power in the world. Our experience in India from the freedom movement to present times shows that diversity is a source of strength and effectiveness. The same would be true of a reformed Security Council. We would continue also to engage actively in the strengthening of ECOSOC, restructuring of the Secretariat and the setting up of Peacebuilding Commission.

Mr. President,

As we observe the 60th anniversary of the United Nations, I am reminded, once again, of the words of India's first Prime Minister, Pandit Jawaharlal Nehru, at this very forum 45 years ago, and I quote:

"During these past fifteen years, the United Nations has often been criticized for its structure and for some of its activities. These criticisms have had some justification behind them. But, looking at the broad picture, I think we can definitely say that the United Nations has amply justified its existence and repeatedly prevented the recurrent crises from developing into war. It has played a great role, and it is a little difficult now to think of this troubled world without the U.N."
Unquote

Mr. President,

In the life of individuals as also of institutions, the completion of sixty years is a significant moment for stock-taking. Even as we reflect upon the functioning of this august institution since its inception in 1945, all of us gathered here look forward to the realization of new hopes and aspirations, and indeed to a rejuvenated United Nations which is fully geared to meet the myriad challenges of our times and effectively contribute to the well being and development of the humanity at large.

The vision which we have for a better world is best described in the

words of a great son of India, Gurudev Rabindranath Tagore and I quote:

"Where the mind is without fear and the head is held high
Where knowledge is free
Where the world has not been broken up into fragments
By narrow domestic walls
Where words come out from the depth of truth
Where tireless striving stretches its arms towards perfection
Where the clear stream of reason has not lost its way
Into the dreary desert sand of dead habit
Where the mind is led forward by thee
Into ever-widening thought and action
Into that heaven of freedom, my Father, let my country awake."

Thank you, Mr. President



719. Statement by K. Natwar Singh, Minister of External Affairs, at the twenty-ninth annual meeting of Ministers of Foreign Affairs of the Group of 77 at the 60th session of the United Nations General Assembly.

New York, September 22, 2005.

Mr. Chairman,

At the outset, I would like to felicitate Jamaica on the outstanding leadership provided to the Group of 77 since the beginning of this year and for promoting the Group's interests in all UN fora.

I also take this opportunity to welcome our incoming Chairman, South Africa. We wish South Africa a productive tenure and look forward to a constructive engagement with it in the pursuit of our common goals and objectives. I would also like to express our appreciation to Qatar for hosting the Second South Summit earlier this year and for their generous hospitality and excellent organisation. We commend their initiative to establish the South Fund on Development and Humanitarian Assistance. India has pledged a contribution of US \$ 2 million for development projects by India in

the countries of the South and is happy to be associated with this initiative.

Mr. Chairman,

You have suggested a most appropriate theme for discussion today, "Implementation of the Development Agenda following the High-level Plenary Meeting of the General Assembly." This underlines the fact that the Group continues to face the same underlying systemic challenges that originally brought developing countries into a united and cohesive force in the Sixties, although under markedly different conditions.

While an increasingly globalising world reinforces the interdependence among nations, making the process of globalisation fairer and equitable poses a major challenge. Today, in many respects, the international economic environment is harsher and calls for redoubled efforts and greater solidarity. The outcome document adopted by Heads of State and Government at the conclusion of the 2005 World Summit has underlined the need strengthening the United Nations in order to equip it to deal with the challenges of development and security. We also recall, in this context, the decision of our leaders at the Second South Summit to revitalise and strengthen the role of the UN system and to fight for democratisation and transparency in the international financial, monetary and trade institutions. Democratic deficit in the governance of Bretton Woods Institutions needs to be addressed to enhance legitimacy, transparency, accountability and ownership of the decision-making processes. Since Monterrey, progress has been limited to, and distracted by, peripheral issues which are not central to enhancement of 'voice' and participation of the developing countries in decisionmaking.

Raymond F. Mikesell in his book 'The Bretton Woods Debates: A Memoir' has written that the US Treasury Secretary had telephoned him in 1945 and told him how much quota USA and European countries should get. This question must be addressed now. India is continuing to urge gaining of momentum [raised yesterday by India's Executive Director at the IMF] to address the question of weightage and quotas so as to give 'voice' to developing countries.

We should build on the Outcome Document in addressing the gigantic developmental challenges confronting the developing countries, whether in the areas of employment, rising energy costs, protection of the

environment, or addressing communicable diseases. We hope that the implementation of the agreements contained in the Outcome Document will lead to the creation of a more favourable international economic environment that would be more supportive of our development efforts.

India recognises that the Group had much higher expectations from the high level plenary event in the area of development. Several studies had concluded that enhanced levels of international cooperation would be crucial for the realisation of Millennium Development Goals. The challenge for the Group in coming months would be to build on the recognition in the outcome document of the need for strengthening efforts at both national and international levels. Not only increase in the level of Official Development Assistance would be important but also enhanced resource flows to developing countries through innovative sources of financing, as well as the realisation of development dimensions in the trade negotiations, would be crucial. The developing

countries had much higher expectations from the event to give a clear direction to the Doha round of trade negotiations. The developing countries need to face the struggle that lies ahead when details are negotiated to safeguard our position on the issues of agriculture, subsidies, market access and tariffs. Special and differential treatment must remain an integral component in the final outcomes of negotiations in all areas, particularly, Agriculture, Non-Agricultural Market Access and Services.

The role of science and technology for development cannot be overemphasised. The revolution in information and communication technologies offers us the most promising tool to face the challenges of globalisation. It is ironic that the shrinking of the world as a result of technology and communications should be accompanied by evolution of controls that restrict movement of the people of the developing world. This also applies to the intellectual property rights regimes which are often used as tools to restrict, control and deny technologies rather than facilitate their transfer to developing countries. It is imperative that development dimensions are integrated into such regimes as quickly as possible. The international community also needs to find pragmatic ways to promote research and development in developing countries building on the recommendations of the UN Millennium Project.

Mr. Chairman,

I take this opportunity to underline our firm belief and unwavering support for greater South-South cooperation and to continue, in the spirit of South-South solidarity, to enhance our cooperation with our partners in developing countries. India would be willing to share its expertise including in frontier areas of science and technology and is indeed doing so already with several partner countries. The Group of 77 has been a valuable asset for developing countries. We shall remain engaged in a continuing consultative process to explore cooperative solutions both among ourselves and with the wider international community. I reiterate India's full support and involvement in this effort.

Thank You, Mr. Chairman.



720. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item 110: Report of the Secretary-General on the Work of the Organisation at the 60th session of the United Nations General Assembly.

New York, September 29, 2005.

Mr. President,

I would like to formally congratulate you and assure you of the full support of my delegation in your endeavours as we tackle the follow-up and implementation of the 2005 Outcome Document approved recently by our Heads of State and Government. The Report of the Secretary General on the Work of the Organization predates the Summit and in a sense the Outcome Document is a comment on the Report and the statements of our Heads of State and Government and Foreign Ministers constitute comments on the Outcome Document. To restrict comments to the Report would, therefore, be an exercise in futility, a putting back of the clock.

I would, therefore, briefly make some general observations on how we see our continuing work. In the first place, one of the lessons of the

process leading to the Outcome Document is a transparent, open-ended process where the broadest possible agreement is sought through open debate.

One of the examples of such an agreement that unfortunately does not find place in the Outcome Document is trade and other important aspects of development. One cannot long continue to square the circle. One cannot go on talking of cancellation of debts but restrict this to IMF money and include recycled aid and debt; of growth without raising investment and savings rates through meeting ODA targets and using innovative sources of financing; of FDI where even physical infrastructure does not exist and public sector investment is required; of sustainable development without transfer of resources or transfer of environmentally-friendly technology; of the development dimension of the Doha Round without the principle of special and differential treatment; of achieving MDGs without achieving MDG 8. There was broad agreement between the G-77 and EU on giving a clear political direction to the WTO Ministerial meeting in December. This remains a vital necessity. That the UN has to give such direction and that such direction is heeded is shown by the impact of the Outcome Document on the Fund and Bank. The Development Committee of the IMF and World Bank refers to the Document in urging developed countries to make concrete efforts to fulfil the 0.7% ODA target and also considers "enhancing the voice of the developing and transition countries in our institutions to be of vital importance" and will build political consensus in the context of the IMF quota review. Similarly, it is vital that monitoring the progress made in the implementation of MDG 8 by developed countries becomes an integral part of the monitoring of MDGs as a whole. Therefore, country-level reports by developed countries with regard to progress on commitments to developing countries remains important.

India has an extensive bilateral programme of economic and scientific cooperation with Africa through grants and credits that also encompass the vital areas of infrastructure and public health. We would welcome through UN system, mobilization of greater resources and coalitions of the willing not to wage war but to come together for joint initiatives in the areas of agriculture, water management and public health. Similar efforts, taking into account the special needs would be required in the case of LDCs, LLDCs and the implementation of the Mauritius strategy for SIDS. The Outcome Document has given an impulse to the development of a strong

counter-terrorism agenda. The Secretary General's address to the International Summit on Democracy, Terrorism and Security in Madrid this year remains relevant. The question of definition of an offence is a matter of precisely legal language and is already reflected in the text of the Draft Comprehensive Convention on International Terrorism being considered by the Sixth Committee. The objective here is a criminal law instrument that would facilitate judicial cooperation, mutual assistance and extradition. The General Assembly has to deal with this issue or else the Security Council will continue to do so. Either the General Assembly would have to adopt a multilateral negotiated document or leave the UN Security Council to continue to deal with this in a partial piecemeal manner, governed by the political imperatives of the moment. We are near a compromise solution which would enable agreement on the important Article 18 of the Convention. The General Assembly has the central role in codifying international law. As Jennings said, we should not fall prey to "flights of erroneous fancy from the Nuremberg tribunal" and believe that "we are developing international law".

The facts speak for themselves. It is precisely the debate on the UN Security Council reform that gave synergy to the process of reform. The omissions on development and the lack of sufficient progress on Security Council reform led to some of the energy and colour going out of institutional reform and what followed. The reason is obvious. For any satisfactory progress one has to address the question of distribution of economic power and equally of political power of which, in the UN, the Security Council is the locus.

We look forward to working together on PBC, HRC and reform of the Secretariat. The UN Security Council has following Resolution 687, in a post-conflict settlement when the party defeated could not be considered to be an imminent threat to peace and security, imposed de facto Treaty obligations on States without their consent.

Therefore, whether it is the HRC or, in this particular context, the PBC if we are not to repeat history, we would have to decide with a sense of history the questions of who sets up the body and to whom it reports since these are not simple or innocent questions.

To overcome the marginalization of the developing countries their empowerment through reform of the Security Council remains imperative.

We would continue to work with like-minded and other countries to reach the broadest possible agreement for an expansion of the permanent and non-permanent categories, to respect deadlines, and to bring the reform process to an early and successful conclusion.

There has been considerable progress in implementing reforms in the Secretariat. In so far as review of mandates is concerned, this is clearly a legislative prerogative which we hope the relevant inter-governmental bodies will complete expeditiously.

We look forward to proposals from the Secretary General on ethics and accountability as well as on the strengthening of the capacity and independence of oversight structures of the Organization. What are required are not new structures and posts but systems and sustained managerial attention to their enforcement. The Capital Master Plan for the United Nations Headquarters in New York is an issue that has sadly enough been mired in what the Secretary-General terms as "political and financial dynamics". This has adversely affected the issues of both financing and "swing space". We await a comprehensive report from the Secretary-General during the current General Assembly session in order to take the urgently required decisions on this issue.

Thank you, Mr. President



721. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN at the General Debate of the Second Committee of 60th session of the UN General Assembly.

New York, October 3, 2005.

Mr. Chairman,

My delegation would like to congratulate you and other members of the Bureau on your election. We are confident that under your able stewardship the work of the Committee will be productive. My delegation assures you of our full cooperation for the successful conclusion of the work of the Committee.

We associate ourselves with the statement made by the distinguished Permanent Representative of Jamaica, Chairman of the Group of 77.

Mr. Chairman,

We would like to express our appreciation for the statement made at the beginning of this debate by the Under-Secretary-General for Economic and Social Affairs, Mr. José Antonio Ocampo and for sharing with us his insight on the world economic situation and prospects. The medium term prospects continue to be clouded by geo-political uncertainties as well as some clear sources of potential setbacks, notably being among these escalating energy prices and slackening growth of international trade, The increasing protectionist tendencies in advanced economies threaten to thwart progress on trade. The latest World Economic Outlook projects world trade volume growth to decelerate to 6.6% in 2005 from 10.3% in 2004. Unlike many industrialised economies, the welfare implications of oil prices in developing countries, impacting on large segments of population, need to be recognised.

The 2005 World Summit Outcome Document has shortcomings but it is worth remembering that what was achieved on economic issues by developing countries was to the extent of their solidarity. This remains important in the process of implementation. Any implementation schema should not obscure the fundamental objective, namely, the rapid economic growth of developing countries enabling them to meet the MDG targets,

especially and substantially reduce poverty and increase employment. Resistance to unjust international regimes is bound to grow. The fundamental objective of any government is to defend the livelihood of ordinary people. Any treaty that impinges adversely on this cannot long endure.

To give an example from my own country, yesterday, there was a rally of 100,000 farmers in Mumbai demanding that agriculture be taken out of the WTO. The Outcome Document recognises that the realisation of the Millennium Development Goals would require a stronger international cooperation for development. Most of us had much higher expectation from the Summit in the area of development, particularly with regard to clear political direction in the area of finance, trade, technology and debt relief. It is heartening to note that the Development Committee communiqué of September 25, 2005 of the IMF and World Bank refers to the Outcome of the Summit in urging the developed countries to make concrete efforts to achieve the target of 0.7 percent of GNP for ODA and to continue to build the necessary political consensus on enhancing the voice and participation of developing and transition countries in their decision-making structures and processes taking into account progress in the context of IMF quota review. The weights and quotas are the result of gerrymandering in 1945 and the United Nations will have to keep a vigilant eye on the process of reform of Bretton Woods institutions. Similarly, it is vital for the UN to give such political direction to the WTO Ministerial meeting in Hong Kong later this year. The progress in the trade negotiations has been disappointing considering the hopes that were raised after the 'July Framework Agreement'. The attempt to achieve First Approximation did not even approximate to an approximation. Demands for reduction of de minimis payments by all countries goes back on the July Framework and is unacceptable to developing countries with subsistence farming and resource poor farmers. It is equally important to address the issues of proportionality and progressivity and the issue of flexibilities including special products and special safeguard mechanism for developing countries. The overarching principle of Special and Differential Treatment is a categorical imperative. In the absence of elimination of agricultural subsidies by the developed countries and non-agriculture market access, import liberalization by the developing will only lead to domestic demand constraint and industrial recession. Therefore, a clear political direction to the Hong Kong WTO

Ministerial which, in spite of broad political support across negotiating groups, was not possible in the Outcome Document remains necessary. The cutting short of the process of negotiations has not cut short the relevance of the message.

The Outcome Document, in the context of commitments and initiatives aimed at enhancing resources for the developing agenda, recognises the progress made on the Innovative Financing Framework for Immunization [IFFIm]. Operationalising the IFFIm is particularly important, since frontloading aid will enable many recipient countries to overcome the initial critical bottleneck in pursuing MDGs. As proposals for innovative sources for financing reach maturity, establishment of robust and efficient mechanisms to track ODA flows would become vital, more so in the context of the recent debt relief initiative. For defending the livelihood of its people, the sovereignty of the State is important and that which erodes the autonomy of policy space needs to be reformed and checked. Hence, the need for reform of Bretton Woods institutions. And hence also the need for controls on speculative capital flows.

A Tobin Tax kind of measure is not simply a means of innovative financing but also of strengthening policy autonomy through checking speculative capital flows. For economic stability and economic justice Keynes had regarded "the euthanasia of the rentier" as necessary; unfortunately, the rentier is waxing fat and kicking. This is equally in the interests of the developed world. Paul Volcker is spoken of in the context of oil-for-food. It is worth remembering that he has also predicted a serious financial crisis in the next five years (Bond, "US and Global Economic Volatility"). The Under Secretary General DESA has rightly drawn attention to dangerous international macro-economic imbalances. Remedies are, therefore, in the interests of both developed and developing countries.

Mr. Chairman,

As we have had occasion to state earlier in the General Assembly, we welcome the proposals for intensifying global development partnership for helping Africa. It is heartening to note the G-8 commitment to double aid to sub-Saharan Africa by 2010. Consolidating economic and social progress in Africa is a challenge for the entire international community. India has an

extensive bilateral programme of economic and scientific cooperation with Africa through grants and credits that also encompass the vital areas of infrastructure and public health. We would welcome through UN system, mobilization of greater resources and coalitions of the willing to come together for joint initiatives in the areas such as agriculture, water management and public health. Similar efforts, taking into account the special needs, would be required in the case of LDCs, LLDCs and the implementation of the Mauritius strategy for SIDS. We welcome the recent initiative on irrevocable debt cancellation for the HIPC countries.

India is supportive of all efforts being extended to the low-income countries, including those in Africa, where debt burdens pose serious constraints to attainment of MDGs. It is essential to ensure that the commitments to provide additional resources are implemented without delay.

Moreover debt stock cancellation should be complemented by sharp increase in ODA in keeping with the Monterrey Consensus.

Environmental protection continues to remain a major challenge for developing countries. The Johannesburg Plan of Implementation, adopted by the World Summit on Sustainable Development, recognises the need for making available the means of implementation, based on the Rio principle of common but differentiated responsibilities, to assist developing countries in their pursuit of achieving sustainable development. One of the major constraints faced by the developing countries in the implementation of the Johannesburg Plan of Implementation targets is the availability of environmentally sound technologies. The global regime in place serves to inhibit the use of technology for development by impeding the rights of all to share the benefits of technological advancement, rather than facilitate their transfer to developing countries, including in the area of public health.

Mr. Chairman,

The challenge before the Second Committee will be to build on the Outcome Document in addressing the gigantic developmental challenges confronting the developing countries, whether in the areas of employment, rising energy costs, protection of the environment, or addressing communicable diseases. We hope that the implementation of the agreements contained in the Outcome Document will lead to the creation of a more favourable international economic environment that would be more

supportive of our development efforts. We look forward to working with other delegations in addressing these challenges as also those on making the WTO Doha Round truly developmental, reform of Bretton Woods institutions, stable as well as innovative sources of financing in the pursuit of the development agenda.

Thank you, Mr. Chairman.



722. Statement by Inder Jit, Member of the Indian Delegation at the 60th session of the First Committee of the United Nations General Assembly.

New York, October 4, 2005.

Mr. Chairman,

Please accept my delegations warm felicitations on your election to the Chair. We are most happy to see you in that position and assure you of our fullest support.

2. The failure last month in reaching consensus on disarmament and nonproliferation issues at the 2005 World Summit, reflected in the omission of these subjects from the outcome document, demonstrated our inability to grasp the gravity of the existing and emerging threats to international security. It also highlighted the divergence in the interests and priorities of Member States on these two crucial issues that have an important bearing on international peace and security.

3. The widening gap between perception and reality and the security interests and priorities of key States have paralysed the multilateral disarmament machinery. For eight successive sessions, the Conference on Disarmament has not conducted any substantive negotiations. The Disarmament Commission has, for two consecutive sessions, not been able to agree even on its agenda.

4. There is a deep connection between the deficient functioning of the disarmament machinery and the decline of the multilateral ethic in international relations. We need multilateralism for progress on disarmament

and non-proliferation because it is inclusive, in seeking to build and expand common ground, and also because it is democratic, in accommodating the priorities and interests of all. Multilateralism is even more relevant today, with the imperatives of increasingly globalised economy; the emerging knowledge society and the resulting indivisibility of peace and stability.

5. It would be wrong to locate the current stalemate in disarmament machinery in its procedures. By doing so, we are addressing only the symptom, not the cause. The decision making process in CD is not dysfunctional. There is nothing intrinsically wrong with it, rather it is a reflection of the lack of adequate political will. If that were the case, we would not have succeeded in negotiating and concluding the chemical weapons convention. This Convention, which provides for verifiable elimination of an entire class of weapon of mass destruction, is a model of a truly non-discriminatory instrument. When we deal with issues that directly or indirectly impinge on security interests of states, it is only through an inclusive multilateral process of building consensus that the states can be assured that their basic security interests will not be compromised. Specific national positions can be both protected and reconciled for the common security interests of all through such a process.

6. Resorting to ad-hoc mechanisms or processes will not lead to any breakthrough; it may rather weaken the institutions like the Conference on Disarmament and Disarmament Commission that we very much are committed to preserve and strengthen. In this delicate period, there should be every effort to strengthen existing multilateral disarmament processes and institutions.

7. The First Committee shoulders the immense responsibility of seeking convergence in views and approaches on key disarmament and international security issues. Through interactive dialogue we can evolve better understanding of one another's security concerns and priorities and enlarge the common ground. We also hope that through our discussions we would be able to build upon the strength of the existing multilateral disarmament machinery to increase its effectiveness for our collective good rather than despair that the current situation is without remedy.

8. India firmly believes in the continued validity of multilateral approaches. We believe that the multilaterally negotiated and legally binding instruments provide the best mechanism to deal with the disarmament and

arms control issues. It is our view that diplomatic perseverance, in preference to conflict and confrontation, works the best when we deal with issues of peace and security.

Mr. Chairman,

9. The issue of nuclear weapons continues to be central to our work. The Programme of Action, adopted by consensus at SSOD-I, which accorded primacy to nuclear disarmament, remains valid even today. It has been India's consistent view that the threat posed by the nuclear weapons can only be eliminated through their total elimination in a progressive and systematic manner. India has advocated that the highest priority be given to global and non-discriminatory nuclear disarmament and has, for the realisation of this objective, presented a number of initiatives over the years, including the very detailed and comprehensive 1988 Action Plan based on the principles of universality, non-discrimination and a balance of obligations for the phased elimination of all nuclear weapons within a time bound framework. As recently as 29th July, our Prime Minister, Dr. Manmohan Singh, reiterated in parliament that India's commitment to work for universal nuclear disarmament would remain our core concern.

10. We believe that nuclear disarmament and non-proliferation are inter-linked and are mutually re-enforcing. Only total elimination of nuclear weapons will provide the assurance that there will be no further proliferation of nuclear weapons. At the same time addressing growing proliferation concerns in an inclusive manner consistent with the UN Charter and international law will reinforce the commitment to and facilitate achievement of the goal of nuclear disarmament. Today the non-proliferation framework remains beset with crises. To address this, it is necessary for the nuclear weapon states to reaffirm their commitment to nuclear disarmament. It is also necessary for all states to implement fully and in good faith the obligations they have accepted.

11. While pursuing the goal of nuclear disarmament, there is a need to take immediate interim steps to reduce the nuclear danger, including such measures as dealerting of nuclear weapons. There is also an urgent need to adjust nuclear doctrines to a posture of no-first-use and non-use against non-nuclear-weapons States. India's nuclear posture is characterised by responsibility, predictability and a defensive orientation. This is reflected in

India's declared policy of no-first-use and non-use of nuclear weapons against non-nuclear-weapon States.

Mr. Chairman,

12. India has an abiding interest in non-proliferation of weapons of mass destruction not just for its own security but also for the peace and security of the world at large. In fact our security environment had been adversely affected due to the inability of the existing non-proliferation framework to effectively deal with proliferation.

13. India fully shares the concerns of international community on the growing danger of proliferation of weapons of mass destruction, including the alarming possibility that terrorists may acquire these weapons and resort to their use to cause devastation and terror on a large scale. It was because of this shared concern, that India had introduced the resolution "Measures to Prevent Terrorists from Acquiring Weapons of Mass Destruction" in 2002 which has been adopted by consensus since then.

14. India has in the last year actively participated in various multilateral efforts to deal with the possible linkages of terrorism with the weapons of mass destruction including in the diplomatic conference to amend the Convention on Physical Protection of Nuclear Materials and the International Convention for the Suppression of Acts of Nuclear Terrorism and Regional Radiological Security Partnership. We welcome in this context the call by the UN Secretary General for early entry into force of the Convention to Prevent and Suppress Acts of Nuclear Terrorism.

15. India remains conscious of the responsibilities deriving from the possession of advanced technologies both civilian and strategic and is determined to ensure that these do not fall into the wrong hands whether of states or non-state actors. India has never been a source of proliferation of sensitive technologies and related materials or equipment. Our record in this regard has been unblemished. We have established a comprehensive system of export controls, which is continuously reviewed and updated and accords with the global standards .

16. As a reflection of India's abiding commitment to non-proliferation, in addition to a corpus of existing legislation dealing with activities of direct or indirect relevance to weapons of mass destruction, their means of delivery and related equipment and technology, India has recently enacted an

overarching and integrated legislation, "Weapons of mass destruction and their delivery systems (prohibition of unlawful activities) Act." This important legislative action, promulgated in June this year, builds on the existing system of export controls.

17. It is our view that, if the emerging proliferation challenges are to be effectively addressed, the international community should review the existing framework to better adapt it to current threats and challenges and to existing realities, while not hampering co-operation in peaceful uses of nuclear energy with States whose non-proliferation records are beyond doubt. States need to show the requisite political will to deal with these challenges in a forthright manner, and not adopt an inconsistent approach as we have witnessed in the past. As a mature and responsible nuclear power, India remains ready to engage, on the basis of equality and consistent with the requirements of its national security, in all multilateral consultations to develop such a framework.

18. India is committed to meet the expanding needs of energy, due to our growing economy and imperatives of social development and to ensure our energy security in future. We are resolved to develop nuclear energy as an important component of our overall energy basket. Our goal is to generate at least 20,000 MW of nuclear power by the year 2020. The development of nuclear energy will reduce pressure on oil prices and provide a clean and environmentally sustainable alternative to fossil fuels.

19. There are immense opportunities for international collaboration in development of nuclear power. We appreciate the decision of some key States to cooperate with India in the endeavour to develop our nuclear power generation capacity. We are engaged in constructive dialogue with the international community for finding ways to facilitate international collaboration in development of nuclear power.

20. In the interest of time, we have not addressed all issues on our agenda. We propose to cover them during the thematic debate and our other interventions. We look forward, meanwhile, to working together with other delegations to make this session of the First Committee truly productive.

Thank you, Mr. Chairman.



**723. Statement by Inder Jit, Member of the Indian Delegation,
on Agenda Item 108 : Measures to Eliminate
International Terrorism in the Sixth Committee of the
60th session of the United Nations General Assembly.**

New York, October 6, 2005.

Mr. Chairman,

India attaches the highest importance to the agenda item relating to "Measures to eliminate international terrorism" currently under consideration in this committee. We note with satisfaction the report of the Secretary General on this item, which contains information submitted by States, and international organizations describing their activities relating to the prevention and suppression of international terrorism. The report also contains many useful elements including a comprehensive inventory of coordinated response of the Secretariat to terrorism.

Mr. Chairman,

The Declaration on Measures to Eliminate International Terrorism, adopted by the General Assembly resolution 49/60 in 1994, was the first significant step taken by the United Nations in the fight against terrorism. It was the first comprehensive standardsetting instrument at the international level, which unequivocally condemned all acts, methods and practices of terrorism as criminal and unjustifiable whenever and by whomever committed. It obliged States to refrain from organizing, instigating, assisting or participating in terrorist acts in the territories of other States, or from acquiescing in or encouraging, activities within their territories, directed towards the commission of such acts. States must ensure that their territories are not used for terrorist installations or training camps or for the preparation or organization of terrorist acts intended to be committed against other States or their citizens. The Declaration made clear that no considerations of political philosophical, ideological, racial, ethnic, religious or any other nature could justify criminal acts intended or calculated to promote a state of terror in the general public. Unfortunately, the Declaration continues to be flouted by some States that provide moral, material, financial and logistical sponsorship and support as well as provide arms to terrorists. It is of paramount importance of today than ever before to ensure that the Declaration is

implemented sincerely by all States and that the standards it has set are effectively operationalised.

Mr. Chairman,

We believe that terrorism is the common enemy of all peoples, all beliefs, all religion, and of peace, and democracy. Terrorism undermines the very foundation of freedom and democracy, endangers the continued existence of open and democratic societies, and constitutes a global threat; therefore, there cannot be any compromise in the war against terrorism.

Mr. Chairman,

India has been at the receiving end of cross border terrorism for almost two decades. Whether directed against the lives of innocent civilians, against places of worship, against parliamentary institutions, government establishments or against individual voters, prospective candidates or officials engaged in the conduct of democratic processes, these attacks represent a challenge to the established values of our society, to our democratic political process and to the law and order machinery of the state. We are determined to confront these challenges fully and we shall overcome them decisively and completely. Our conviction is made loud clear by our Prime Minister in his statement during the recent high level plenary meeting of the 60th Session on September 15, I quote: "Democratic governance both within nations and in our global institutions would also constitute a powerful weapon in meeting the global scourge of terrorism. We must not yield any space to terrorism. We must firmly reject any notion that there is any cause that justifies it. No cause could ever justify the indiscriminate killing of innocent men, women and children. For several years, India has faced cross border terrorism directed against its unity and territorial integrity. We shall never succumb to or compromise with terror in Jammu and Kashmir or elsewhere".

Mr. Chairman,

The terrible events of September 11, 2001 in this city brought home to the world with shocking intensity the profound range and depth that the phenomenon of international terrorism could cause damage to the open societies. Terrorist attacks since then, in Spain, Russian Federation, United Kingdom, Egypt, Turkey and in Indonesia made it clear that no country,

organization or institution can declare itself entirely outside its reach or truly immune to its effects. During the general debate at the UNGA last month, a number of states acknowledge the international nature of the phenomenon and supported coordinated action targeting international terrorism in all its forms.

Mr. Chairman,

Our efforts must not be confined to a hunt for either just an individual or group, or to dealing with the superficial symptoms of this malaise alone. Rather it must concentrate on a thorough destruction of this phenomenon from its roots, its support bases and diverse manifestations across the world. Terrorist organizations are also financed through other criminal activities including arms smuggling, drugs production and trafficking and money laundering. The war on terrorism must be fought, therefore, on many fronts. It is our deep conviction that increased international efforts towards the effective elimination of these criminal activities would also contribute to the struggle for the elimination of terrorism.

Mr. Chairman,

India has taken several steps in strengthening international cooperation to combat terrorism. We have entered into several bilateral treaties in the areas of combating organized crime, narcotic drug offences, extradition and treaties of mutual assistance in criminal matters. These treaties facilitate exchange of operational information and development of joint programmes to combat organized crime and terrorism. They also facilitate the transfer of fugitive offenders, suspected terrorist etc., so that they can stand trial in the State in which the offence is committed. The mutual legal assistance treaties facilitate prosecution of offences, location of fugitives, transfer of witnesses and exhibits all of which play a vital role in the punishment of crime and prosecution of offenders. India is a party to twelve international sectoral conventions on terrorism that have been concluded under the aegis of the United Nations. We are also studying carefully the Convention for the suppression of Acts of Nuclear Terrorism with a view to consider becoming party to the Convention.

Mr. Chairman,

The outcome document which had the endorsement of all the head of the states and governments contains a strong anti terrorism agenda. The

summit also endorsed the need to conclude the negotiations of a comprehensive convention on international terrorism during this session. Mr. Chairman, you have also reminded us of this deadline, in your opening address three days ago. Since, the draft Convention under consideration does not raise any legal problems, and the delay in its conclusion and adoption, by and large associated with lack of political will of the few, demonstration of the political will is the need of the hour.

As we are all aware, the question of definition of an offence is a matter of precise legal language and is already reflected in the text of the draft Comprehensive Convention on International Terrorism now under consideration by this Committee. The objective of the Convention is to provide legal provisions which can be adopted in the criminal law instrument that would facilitate judicial cooperation, mutual assistance and extradition.

The General Assembly has the central role in this process, if it abdicates its role, the Security Council, as in the past, will continue to deal with this issue in a partial piecemeal manner, governed by the political imperatives of the moment. That is not good for the development of law which needs to be broad based and transparent. We are all know the existence of a broadest possible agreement on all the draft provisions of the Comprehensive convention on International Terrorism. However, the inclusion and exclusion of certain elements in Article 18 of the draft Convention remains a major outstanding issue. The Secretary-General's Report on the present agenda item indicates that, so far, the terrorism issue has been covered by 27 legal instruments. Making legal instruments to enrich a legal field is an ongoing process, be it in Terrorism, Human rights or in humanitarian law. It is impractical and inefficient to address all the issues as complex as terrorism in one document. What is important is the timeliness. When the whole world waits for this Convention, we have to show flexibility and demonstrate political will. The August 2005 informal consultations gave a hope that we are near a compromise solution, which would enable agreement on the important Article 18 of the Convention. However, the issues which do not fit into the configuration of the present Convention are, in our view not less important, they are required to be handled separately in an appropriate format.

Thank you Mr. Chairman.



724. Statement by Dr. Prasanna Kumar Patasani, Member of Parliament and Member of Indian Delegation, on Agenda Item 26: Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples in the Fourth Committee of the 60th session of the UN General Assembly.

New York, October 10, 2005.

Mr Chairman,

May I take this opportunity to congratulate you on your election as Chairman of the Fourth Committee ? I would also like to felicitate other members of the Bureau on their election and assure you and your team of my delegation's fullest support and cooperation in the discharge of your duties.

Mr Chairman,

It is ironical that even as we have entered a new century, we continue to grapple with the vestiges of a bygone system that is outmoded as it is anachronistic. Colonialism is contrary to the tenets of democracy, freedom, dignity, progress and human rights. In 1960, under Resolution 1514 (XV), the General Assembly adopted the Declaration on the Granting of Independence to Colonial Countries and Peoples which defined full self-government as being one of three options: independence, free association with an independent state or integration with an independent state. We are presently at the midpoint in the Second International Decade for the Eradication of Colonialism (2001-2010) with 16 Non Self-Governing Territories in the UN's list. These Territories serve as constant reminders that the process of decolonisation is as yet incomplete and that more needs to be done if we are to move the peoples in the Territories closer to their legitimate political status options defined in the Declaration.

The way ahead must be a judicious mix of urgency and activism on the one hand, and one of sensitivity and circumscription, on the other. It must take into account, first and foremost, the needs and aspirations of the people of the Territories and their special circumstances. Appropriate timing and format should be the touchstones, as we attempt to bequeath to the Territories political and socio-economic institutions and structures of their

choice. We are in agreement with the Chairman of the Special Committee of 24 on decolonisation on the need to devise tailored programmes of work for each Territory, eschewing the temptation of a "one-size fits all approach". Tokelau is one recent example where the UN has successfully implemented this strategy, and we would support similar efforts to develop accelerated action plans for decolonisation, in consultation with the administering Powers and the people of the Territories' concerned, .

A critical tool is the dissemination of information on decolonisation to people in the Territories. The peoples of the Territories may often be unaware of their legitimate political status options; for real constitutional and political advancement to occur, the peoples of the Territories require sustained and unbiased information on their licit options of political equality defined under Resolution 1514(XV) of the General Assembly. A continued examination of the spectrum of options for self-determination by all parties concerned and dissemination of relevant information among the peoples of the Non-self Governing Territories are important elements in achieving the goals of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

The role played by the United Nations visiting Missions in bridging the information deficit in the Territories is important. Taking into account the constructive role played by such Missions in the past, we attach the utmost importance to visiting Missions as a means of collecting adequate and first-hand information on conditions in the Territories and for ascertaining the wishes and aspirations of the peoples concerning their future status. We are in agreement that such Missions are important in the context of furthering modalities and action plans for decolonisation and observing acts of self-determination. We welcome the fact that the administering Powers have, of late, extended their full cooperation to the Special Committee of 24 in facilitating such visiting Missions. The instances of New Zealand and UK in facilitating visits to Tokelau and Bermuda are worthy of special mention.

The modality of the Regional Seminars is no less significant. As an important activity of the plan of action of the Second International Decade for the Eradication of Colonialism, Regional Seminars serve as an effective forum for focussed discussion on matters of concern to the Non-self Governing Territories and afford opportunities for representatives of the peoples of the Territories to present their views and recommendations to

the United Nations. There have been suggestions in the past of combining visiting Missions with Regional Seminars in order to optimise available resources; this is a worthy initiative that needs to be pursued.

The role of the administering Power is a deciding factor. A spirit of cooperation and flexibility has largely imbued their actions in recent years and we would call upon them to further build upon this, in particular, in assisting the Special Committee of 24 to devise tailored action plans for the decolonisation of certain Territories in their quest for self-determination. The support and cooperation displayed by the UK in organising a Regional Seminar in Anguilla in 2003 and their willingness to host a United Nations visiting Mission to Bermuda this year, is indeed encouraging. We hope that such examples of cooperation and partnership will translate into formal participation by the administering Powers in the work of the Special Committee of 24, and in particular, lead to their active involvement in the work relating to the Territories under their respective administrations. We are in agreement that an interactive dialogue on the objective reality in the Territories would be to the benefit of all concerned, in particular the people of these Territories.

The role the Special Committee of 24 in furthering the incomplete process of decolonisation deserves special mention. We are in agreement with the proposal of the Chairman of the Committee that the focus should now be on implementation. We support moves to concentrate efforts into a plan of implementation for the wider United Nations system in order to organise actions already called for into concrete activities in furtherance of complete decolonisation by 2010. We are in agreement that only through such a pro-active approach, which we must carry forth into 2006, will we be able to fulfil the mandate for decolonisation by the end of this decade. We would like to assure Chairman Julian Hunte of the Committee of 24 of our full support and involvement in his efforts to move the agenda ahead and successfully complete the mandate of the Special Committee.

Mr Chairman,

As a founding member of the UN and the Special Committee, we share a particular solidarity with other erstwhile colonised peoples and nations. We rededicate ourselves to the cherished ideal of freedom, democracy, human rights, dignity and peaceful co-existence, while also

reaffirming our commitment to permanently end the last vestiges of the scourge of colonialism, remnant of a bygone era.

Thank you, Mr Chairman.



725. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item 50: Macroeconomic Policy Questions : [B] International Financial System and Development; and [C] External Debt Crisis and Development in the Second Committee of the 60th session of the UN General Assembly.

New York, October 10, 2005.

Mr. Chairman,

We would like to express our appreciation to the Secretary-General for the reports on macro-economic policy questions. We associate ourselves with the statement made by the distinguished representative of Jamaica on behalf of the Group of 77.

Mr. Chairman,

Many of us had much higher expectation from the 2005 World Summit in the area of development, particularly with regard to clear political direction in the areas of finance, trade, technology and debt relief. Poverty and internal conflicts are not simply the legacy of the colonial past or the result of current poor governance but are epiphenomena of liberalisation and the policies of international economic institutions. The imperative of liberalisation and attracting foreign capital is inevitably accompanied by risks: low tax-GDP ratios reinforced by IMF style structural adjustment reduces investment in the social infrastructure (especially health and education). Such policies in some regions have additionally had a negative impact on rural infrastructure and food security. The problems of sub-Saharan Africa amply demonstrate the systemic impact of such policies. Growth by itself is not enough; trickle-down economics seldom happens.

Therefore, direct national action in the areas of health, education

and employment generation are critical for any successful anti-poverty policy. Net outflow of resources from developing countries ultimately point to a need for reform of the international financial system.

Some striking statistics are provided in the report of the Secretary-General on structural policy conditions attached to IMF loans - until the 1980's conditionality mainly focussed on monetary, fiscal and exchange rate policies; but by the late 1980's and especially in the 1990's, IMF financing was increasingly made conditional on structural changes involving policy processes, legislation and institutional reforms; this resulted in a sharp fall in compliance from 50 per cent in the late 1970's to 16 per cent in the 1990's. The Secretary-General states that "it has become clear that lack of real national ownership is the most important obstacle to effective programme implementation", and here I would add, by implication, to development. For defending livelihoods, the sovereign functions of the State cannot be undermined and regimes that erode the autonomy of policy space need to be reformed and checked.

Unfortunately, the revised conditionality guidelines (of September 2002) of the IMF Board of Governors have neither really reduced nor streamlined conditionalities. From Standby to Conditionality has been but a step. Though a cooperative institution the IMF does not charge interest rates lower than market rates. The Fund and Bank have strayed far from one of their original purposes – Keynesian demand management to maintain high levels of employment. The Bretton Woods institutions have the power but no longer have the mandate. ECOSOC has the mandate but not the power.

There is no alternative to a far-reaching reform of the Bretton Woods institutions. Gerrymandering shaped the origin of these institutions: the architect of the formulae fiddled with national income and trade statistics of countries to arrive at weights that would achieve pre-determined quotas (on which he was instructed by the US Treasury). Incidentally, Keynes argued for at least unconditional drawings within quota limits (with conditionalities applicable only to above quota drawings). This remains ahead even of our time. He objected to some of the economics and all of the English (calling the language of the IMF's Articles of Agreement Cherokee and attributing it to the Treasury Department lawyers). Therefore, there are strong linguistic and economic arguments for revising the Articles of Agreement. The Outcome Document rightly calls for increasing the voice and participation

of developing countries in the Bretton Woods institutions. At present, the voting system is weighted against them: they cannot muster the 85 per cent majority required to approve important proposals. Borrowings and allocations are proportionate to quotas and, therefore, neither economically nor morally defensible. The Fund eventually would have to reconstruct alternative formulae with weights proportionally linked to economic factors behind growth in countries and their quotas reflecting this growth: in short different matrices with economically logical back-up. Even before tackling the central structural issue of voting power, it should be possible to enhance the voice of developing countries if the internal management process in the Fund is more equitable and transparent. Short term suggestions in the UNSG's Report such as liberalizing conditionality and introducing a subsidy element for low income countries in the Compensatory Financing Facility and longer term suggestions on calculating quotas such as using purchasing power parity measures of gross national income merit attention.

Official flows from the multilateral development and financial institutions continued to remain negative for the second consecutive year in 2004; loan repayment outpaced loan disbursements; for many developing countries, Official Development Assistance [ODA] which is a major source for financing development continues to remain at a low level of 0.25 per cent as against the 0.7 per cent target. In this regard, we welcome the announcements by some donor countries of their commitments to increase ODA as well as the progress made in finding innovative sources of financing. As proposals for innovative sources for financing reach maturity, establishment of robust and efficient mechanisms to track ODA flows would become vital, more so in the context of recent debt relief initiative.

A larger agenda for crisis prevention still remains un-addressed. Effective surveillance to promote stability, through enhanced resilience of countries to economic shocks, is the key to crisis prevention. Much remains to be done to strengthen the effectiveness of surveillance and enhancement of its pro-growth orientation. The Secretary-General has rightly observed that the IMF's ability to influence policies through surveillance is more limited with regard to developed countries. Hence the need to improve the effectiveness and even-handedness of the Fund's surveillance across the membership. As the Report says, the policy consistency of major economies is necessary for the stability of the system as a whole. There is also need for controls on speculative capital flows for ensuring financial stability. A

Tobin Tax kind of measure is not simply a means of innovative financing but also of strengthening policy autonomy through checking speculative capital flows.

Mr. Chairman,

The debt problems faced by many low and middle-income developing countries continue to act as severe constraints on their ability to accelerate economic development and to achieve the Millennium Development Goals. We welcome the G-8 proposal for irrevocable debt cancellation for the HIPC countries. The proposal has generated high expectation in the eligible countries. The modalities for the implementation of this initiative need to be further clarified, notably on the additionality of resources, the possible inclusion of additional beneficiary countries, and policy conditionalities such as privatization and trade liberalization which have in some cases been detrimental to development. It is important to ensure that the financial integrity of IDA, which is a premier multilateral development agency, is not in anyway impaired. It will also be critical to undertake concrete steps in terms of binding commitments beyond the IDA-14 period and to put in place a participatory process to develop mechanisms to monitor and prevent recurring cycles of indebtedness. The Development Committee communiqué of September 25, while maintaining the need for donor countries to ensure financing to fully compensate IDA for forgone re-flows resulting from debt relief in order to reach a final agreement on the proposal, has rightly advised the World Bank to prepare a compensation schedule and monitoring system of all donor contributions urgently.

The financial integrity of IFIs has to be preserved in the larger interest of the global development agenda. If the PRGF reserve account and the PRGF subsidy account of the IMF are drawn down for debt stock cancellation their subsequent replenishment are essential for sustaining concessional lending operations. It is heartening to note that the IMF, as envisaged in the International Financial And Monitoring Committee communiqué of 24 September 2005, intends to finalise the arrangements to deliver debt relief by end-2005. It has also stressed the importance of ensuring that the IMF's capacity to provide financing to low-income countries is maintained. The report of the Secretary-General has an interesting idea on a more optimal debt sustainability analysis. In short, while debt relief has opened a window for social spending, cases of increasing debt-export ratios even after debt

relief could again close this window. Therefore, the UN has a central role in giving appropriate direction.

In conclusion, Mr. Chairman, we would like to emphasise the need to build on the agreements reached at the 2005 World Summit and the UN will have to set the pace and provide the political direction for implementation.

Thank you, Mr. Chairman.



726. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Informal consultations of the Plenary of the General Assembly on the Human Rights Council.

New York, October 11, 2005.

Mr. President,

First of all allow me to express our gratitude to the Permanent Representative of Yemen for expressing his sympathy and solidarity with us on account of the earthquake. Let me also thank you for convening these discussions and on your excellent choice of the two co-Chairs, the Permanent Representatives of South Africa and Panama.

As you are aware, there are seven references to human rights in the Charter. Field Marshal Smuts of the then Apartheid regime of South Africa said that such a document should be "introduced by a Preamble setting forth, in language which should appeal to the heart as well as the mind of men, the purposes which the United Nations were setting themselves to achieve and the nobility of intention of the founders". This is a gem of the purest hypocrisy. The wheel has come full circle and it is a matter of poetic justice that the discussions today are being co-chaired by the Permanent Representative of free South Africa. This shows that we have or should have traveled from a geo-political, self-serving and instrumentalist approach to human rights to one that should be universal and non-selective. The Human Rights Council we are setting up should embody this.

Though we are open to further discussion, we are not persuaded

that the Human Rights Council should be a standing body. After all, the High Commissioner for Human Rights works permanently and can intervene at any time. The special procedures of the Human Rights Commission tackle all subjects and are available throughout the year.

The Human Rights Commission can sit in extraordinary session in case of emergency and since 1992 has convened five times in such extraordinary sessions. The status of the Human Rights Council should be that of a subsidiary body of the General Assembly.

The people of India in free elections have the right to freely choose governments across India ranging from right wing to communist. The recent Rural Employment Guarantee Act has operationalised the right to work. We have also regarded human rights as a shield for protecting ordinary people and not as a sword of intervention. As in the case of other delegations, national experience shapes our approach. Therefore, on the size, composition and membership of the proposed Human Rights Council, as stated earlier we believe in applying the principle of universality which means a larger Council of fifty members. A large Council based on equitable geographical representation is necessary not just on grounds of universality but also on grounds of functional necessity. In the first place, such a Council would be less amenable to manipulation by any power or groups of powers. In the second place, only through such numbers and such composition can we ensure that not just political and civil rights but social and economic rights including the right to development and the right to work are effectively articulated in the deliberations of this Council. The mandate and functions of the proposed Council must take into account and effectively address the current situation. The distinguished Permanent Representative of Chile quoted William Roper, Sir Thomas More's son-in-law to the effect that he would "cut down every law in England to get after the devil". This has particular relevance to the current getting after the devil of terrorism. In the course of this civil and political rights are again under threat with diminution of habeas corpus and right not to be imprisoned without fair trial and the presumption of innocence till proved guilty. The Human Rights machinery today comprises the High Commissioner, Treaty bodies, subcommissions, special procedures, committees, specialised agencies and the like. The Human Rights Council should ensure coherence in an institutional sense. But equally if not more important is coherence of issues. This is because workers' rights are addressed by ILO, right to education by UNESCO, right

to asylum by UNHCR, children's rights by UNICEF, right to health and affordable medicines by WHO. In this sense, TRIPS is a violation of the right to health and affordable medicines. In this country, the President's Economic Advisory Council and the Science and Technology Council at that time had held that TRIPS was not necessary or even desirable for scientific research; it was designed simply to protect the commercial interests of pharmaceutical companies.

The triad of the French Revolution - liberty, equality and fraternity - are concerned with three orders of rights: civil and political rights; the role of the State in ensuring socio-economic equality and finally fraternity or solidarity internationally in promoting the right to economic and social development; the right to benefit from "the common heritage of mankind"; the right to a healthy and balanced environment; the right to humanitarian disaster relief. The UN and the UN Human Rights Council can play a crucial role in promoting international cooperation to make these rights a reality since they are based on cooperation between peoples and States.

Finally, on account of civil conflict in many parts of the world, there are massive violations of human rights by non-State actors. If the proposed Council only holds States accountable for rights violations, its work would be vitiated by one-sidedness. Its mandate and function should therefore provide for addressing rights violations by non- State actors.

At this stage, Mr. President, we would not like to comment further on the issues under discussion. Once the process of negotiations begins in right earnest, we shall offer more detailed comments.

Thank you, Mr. President.



727. Statement by Suresh Kurup, Member of Parliament and Member of the Indian Delegation, on Introduction of the Resolutions 'Convention on the Prohibition of the Use of Nuclear Weapons' and 'Reducing Nuclear Danger' in the the First Committee of the 60th sessions of the UN General Assembly.

New York, October 11, 2005.

Mr. Chairman,

I have taken the floor to introduce two resolutions tabled by India under Cluster I. I have the honour, first, to introduce the draft resolution on "Convention on the Prohibition of the Use of Nuclear Weapons," co-sponsored by Bangladesh, Bhutan, Brunei Darussalam, Burkina Faso, Cambodia, Colombia, Congo, Cuba, Democratic Peoples Republic of Korea, Ecuador, Egypt, Fiji, Haiti, Indonesia, Iran, Jordan, Kenya, Lao Peoples Democratic Republic, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malaysia, Mauritius, Myanmar, Namibia, Nepal, Sudan, Vietnam, Zambia, and India. The resolution underlines that the use of nuclear weapons poses the most serious threat to the survival of mankind.

The last Non-aligned Summit held in Kuala Lumpur in 2003 had underlined the danger to humanity derived from the continued existence of nuclear weapons and of their possible use or threat of use.

The threat of use of nuclear weapons by States and non-State actors will remain so long as certain States claim an exclusive right to possess nuclear weapons in perpetuity and until such time as the use or threat of use of nuclear weapons are considered justified. We believe that States should reorient their nuclear doctrines through a commitment to no-first-use and non-use of nuclear weapons, backed by a legally binding agreement to that effect. This should be more feasible today, when major powers have more cooperative exchanges among themselves than in 1982, when this idea was first mooted.

In its historic advisory opinion of 1996, the International Court of Justice made international humanitarian law applicable to the use of nuclear weapons. The ICJ expressed the conviction that a multilateral agreement prohibiting the use of nuclear weapons would strengthen international

security and create a climate for negotiations leading to the elimination of nuclear weapons.

We require taking decisive steps, collectively, to support a legally binding instrument prohibiting the use or threat of use of nuclear weapons as an interim measure until we reach agreement on a step-by-step process for the elimination of nuclear weapons. This will serve to diminish the salience of nuclear weapons in maintaining security, and contribute to changes in doctrines, policies, attitudes and institutions required to usher in a nuclear weapons free and non-violent world.

The operative part of the resolution reiterates the call to the Conference on Disarmament to commence negotiations to reach agreement on an international convention on prohibiting the use or threat of use of nuclear weapons.

A positive vote for this resolution will be a vote by the international community in favour of a decisive step towards the elimination of nuclear weapons.

Mr. Chairman,

Now, I have the honour to introduce the draft resolution on "Reducing Nuclear Danger," co-sponsored by Afghanistan, Bangladesh, Bhutan, Cambodia, Cuba, Fiji, Haiti, Jordan, Kenya, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Mauritius, Namibia, Sudan, Vietnam, Zambia, and India.

The resolution offers modest and pragmatic proposals for the safety and security of mankind. It calls for a review of nuclear doctrines, as also immediate steps to reduce the risk of unintentional or accidental use of nuclear weapons. The very real possibility of systems and components falling into the hands of non-State actors has aggravated current dangers. Several strategic experts have identified one or other of the measures proposed in this resolution as feasible in the present circumstances, including taking off nuclear forces from a hair-trigger posture to reduce their alert status.

The entire membership of the United Nations in 1978 had agreed by consensus that nuclear weapons pose the greatest danger to mankind and to the survival of civilization. The international community had also agreed that effective measures of nuclear disarmament and prevention of

nuclear war have the highest priority. More than a decade and a half since the end of the Cold War, the concept of mutually assured destruction is universally considered untenable. The dictum that a nuclear war can never be won, and must never be fought, is now accepted as conventional wisdom. Measures for reducing nuclear dangers are, therefore, an essential prerequisite for safeguarding our collective security interests, pending nuclear disarmament.

The resolution refers to the seven recommendations of the Advisory Board on Disarmament Matters of 2001 that would significantly reduce the risk of nuclear war, including promotion of dialogue on cooperative security, de-alerting of nuclear weapons, review of nuclear doctrines, further reduction of tactical nuclear weapons, increasing transparency, creating a conducive climate for disarmament through educational and training programmes, and preparing for a major international conference to identify ways of eliminating nuclear danger.

A positive vote for this resolution will be a reaffirmation by the international community to take decisive steps towards reducing nuclear danger.

I thank you for your attention.



728. Statement by Ambassador Jayant Prasad, Permanent Representative of India to the Conference on Disarmament, Geneva, on Introduction of the resolution "Measures to prevent terrorists from acquiring weapons of mass destruction" in the First Committee of 60th UN General Assembly.

New York, October 12, 2005.

Mr. Chairman,

I have the honour to introduce the draft resolution on "Measures to prevent terrorists from acquiring weapons of mass destruction." The resolution, first adopted in 2002, has continued to command consensus support since then both within the First Committee and the General Assembly, and has attracted, over the years, a growing number of co-sponsors.

It gives expression to the concerns of the international community and calls upon Member States of the United Nations to take measures aimed at preventing terrorists from acquiring WMD. It underlines that the international response to this threat needs to be inclusive, multilateral and global. This approach has been widely endorsed, by the Non-Aligned Movement, the G-8, the European Union and most other regional organisations.

Besides some technical updates, the resolution takes cognisance of the steps taken by States to implement Security Council Resolution 1540. The new preambular paragraph 5 welcomes the adoption of the International Convention for the Suppression of Acts of Nuclear Terrorism and the new preambular paragraph 6 welcomes the adoption of amendments to strengthen the Convention on the Physical Protection of Nuclear Materials by the IAEA. A new operative paragraph 2 invites all Member States to consider signing and ratifying the International Convention for the Suppression of Acts of Nuclear Terrorism to enable its early entry into force.

The resolution has continuing relevance as an unambiguous statement from a body that is universal and democratic. The representative character of the General Assembly validates and reinforces the commitments we assume as Member States in regard to its objective.

I appeal to delegations of the First Committee to extend to this initiative an even wider measure of support than that expressed in the previous three years, through additional co-sponsorship of the resolution. This will demonstrate a larger measure of involvement of the UN membership on this vital issue. I thank you Mr. Chairman.



729. Statement by Suresh Kurup, Member of Parliament and Member of the Indian Delegation, on Conventional Weapons in the First Committee of the 60th session of the UN General Assembly.

New York, October 13, 2005.

Mr. Chairman,

While nuclear, chemical and biological weapons, as weapons of mass destruction, are rightly accorded priority in the area of disarmament and arms control, conventional weapons and small arms and light weapons constitute an important, and arguably, more immediate concern for humanity. This is because of continuing armed conflicts between States where conventional weapons are used, as also the prevalence of intra-State conflicts and terrorism in different parts of the world.

2. India, therefore, continues to remain deeply concerned that conventional weapons, including small arms and light weapons, continue to pose grave danger to the security of States. Their indiscriminate and irresponsible use, including by non-State actors, has caused enormous humanitarian concern. Such weapons disrupt political stability and social harmony, derail pluralism and democracy and hamper growth and development. They also fuel international terrorism and internal conflicts.

3. The United Nations has had a measure of success in dealing with the threat posed by illicit trade in small arms and light weapons. The adoption, by consensus, of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in July 2001 reflected the common commitment of UN Member States to address this issue. The Programme of Action outlines a realistic, achievable and comprehensive

approach to address the problem at national, regional and global levels. India believes that efforts to combat and eradicate illicit trade in small arms and light weapons will contribute to global efforts to combat terrorism and other organised crime. We believe that State responsibility is critical in ensuring this, primarily through efforts made by individual States themselves, and also through cooperation with other States at the regional and global levels.

4. The Biennial Meeting of States in July 2005 provided a welcome opportunity to take stock of national implementation of UNPOA. We now look forward to the 2006 Review Conference, which will provide an opportunity to review the effectiveness of the Programme of Action in achieving its objectives and to consider further measures to strengthen and promote its implementation. We would like the Review Conference to consider additional measures to increase the efficacy of UNPOA, including the prohibition of transfer of weapons to non-State actors.

5. It is a positive development that we succeeded in reaching consensus on a draft international instrument to enable States to identify and trace, in a timely and reliable manner, illicit small arms and light weapons. Even though it will not be a legally binding instrument, which India would have preferred, we joined the consensus, since the instrument contains vital commitments by States to mark all small arms and light weapons according to universal standards and cooperate with other States in tracing illicit ones. This significant achievement reflects our common commitment to achieve the objectives enshrined in the Programme of Action. Indeed, agreement on the instrument reinforces the multilateral ethic, so much absent in today's discourse on disarmament and arms control.

6. India will also continue to pursue the objective of a non-discriminatory, universal and global ban on anti-personnel mines in manner that addresses the legitimate defence requirements of States. Landmines continue to play an important role in the defence of States that have long land borders with difficult and inhospitable terrains. The process of complete elimination of anti-personnel mines will be facilitated by the availability of militarily effective, non-lethal and cost-effective alternative technologies.

7. Under the CCW umbrella, States Parties to the Convention on certain Conventional Weapons have achieved considerable success in dealing with

the humanitarian concerns posed by indiscriminate use of landmines. Its Protocol II, dealing with landmines and booby traps, was amended in 1996 to make it more effective in minimizing the danger posed by landmines. The scope of the Convention was extended in 2001 to cover internal conflicts. And in 2003 another Protocol was added to CCW to deal with the dangers to civilians posed by explosive remnants of war. This was a signal achievement, on which we could build further under the CCW process. India is strongly committed to the CCW Convention and has ratified its five Protocols, including Amended Protocol II and Protocol V on explosive remnants of war.

8. India had the privilege to Chair the CCW process during 2002 and 2003 when the Working Group on Explosive Remnants of War engaged in negotiations to conclude Protocol V on ERW. A Working Group within the Group of Governmental Experts on CCW continues to consider implementation of existing principles of international humanitarian law in the context of ERW. It is also studying possible preventive measures aimed at improving the design of certain specific types of munitions, including sub-munitions, in order to minimize the humanitarian risks of these munitions becoming ERW. Another Working Group, on Mines Other Than Anti-Personnel Mines (MOTAPM), has the responsibility to consider proposals with the aim of elaborating appropriate recommendations. The Indian delegation is continuing its constructive contributions to the deliberations of both these bodies.

9. We shall work towards steady progress in the areas of Small Arms and Light Weapons and the CCW process. We hope the process is extended to other areas of conventional disarmament, leading towards the goal of general and complete disarmament. Thank you, Mr. Chairman.



730. Statement by Inder Jit, Member of the Indian Delegation, on Agenda Item 82: Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization in the Sixth Committee of the 60th session of the UN General Assembly.

New York, October 14, 2005.

Mr. Chairman,

At the outset, let me congratulate Mr. Adreas D. Mavroyiannis for his excellent presentation of the report on the work of the Special Committee on the Charter of the United Nations and on the Strengthening of the role of the Organization, at its last session held in March 2005.

India attaches the highest importance to the effective implementation of Article 50 relating to Assistance to Third States affected by the application of sanctions under Chapter VII of the Charter. It is a matter of serious concern for us that there are instances where sanctions adversely affect civilian population and push them into a condition of extreme poverty. Sanctions are primarily intended to effect a change in behavior on the part of the recalcitrant State. However, at times, they tend to punish innocent people and lead to the economic de-stabilization of the targeted State or even a third State. My delegation reiterates its position once again that the U.N. Security Council which mandates sanctions has a primary responsibility for finding solutions to the problems of third States affected by UN sanctions. To obviate the adverse effects of sanctions, it is necessary that sanction regimes be subjected to a review. Adequate and timely assistance is imperative and must be undertaken on the basis of an assessment of the humanitarian conditions in the targeted and affected third States. In this regard, immediate steps need to be taken to implement the relevant portion of the 2005 World Summit Outcome Document on sanctions, more particularly, Paragraph 108 which calls upon the Security Council, with the support of the Secretary-General, to improve the monitoring of the implementation of and effects of sanctions, to ensure that sanctions are implemented in an accountable manner, to review regularly such monitoring and to develop a mechanism to address special economic problems arising from the application of sanctions in accordance with Charter. To this end,

the Council should consider establishing a fund financed from assessed contributions based on a scale applicable to the peacekeeping operations as well as by voluntary contributions. My delegation supports the idea of establishing a Working Group within the Sixth Committee to examine the matter of sanctions and its impact on third States.

With regard to the Russian and Libyan proposals on sanctions, the need for developing a universal consensus on the core issues involved cannot be overemphasized. We believe that the Charter defines the precise manner and the circumstances in which sanctions or other coercive measure could be imposed. However, testing the legality of the sanctions on the basis of a proportionality criterion merits careful consideration. Organizational controls built into the system could be more suitable for easing the financial, economic or humanitarian burdens. Turning to the proposal to give a right to the target State to seek and obtain just compensation for unlawful damage sustained by it due to illegal or excessive sanctions, it is my delegation's view that conferring of any such right would raise issues concerning legality of the sanctions imposed.

On the proposal concerning Peace Keeping Operations under Chapter VI of the Charter, we would like to reiterate that the Committee limits itself to contributing only from the legal angle that too as a last resort after consensus has been reached among the member States on Peace Keeping Operations from the political and operational angles.

Mr. Chairman,

The contribution of the Special Committee on the Charter in setting standards for Peaceful Settlement of Disputes has been significant. India attaches the highest importance to the principle of free choice of means in matters of dispute settlement. In our view, any recourse to a dispute settlement mechanism requires, first and foremost, the consent of the parties to the dispute.

Turning to the proposal on the Trusteeship Council, India considers it improper to envisage a role for the Trusteeship Council at this time in dealing with global commons or common heritage of mankind. We believe that this area has been covered adequately in the UN Convention on the Law of the Sea, the Antarctic Treaty System, as well as under several international environmental treaties.

Mr. Chairman,

India supports in principle, the proposal of Japan on the improvement of the working methods of the Committee. It is our hope that this could ensure the smooth conduct of the Committee's business by improving upon practical aspects. With regard to the identification of new subjects, my delegation is of the view that the Committee should first deal with already pending proposals before searching for new areas of work.

Mr. Chairman,

India supports all efforts towards the continued publication and updating of the Repertory of Practice of the UN Organs and the Repertoire of Practice of the Security Council, as these documents are very important sources of reference.

We believe that the Special Committee on the Charter must have an active role in the implementation of the Charter related decisions outlined in the 2005 World Summit Outcome (A/60/L.1), in particular those mentioned under paragraphs 176-178. The Special Committee has already adopted a decision to play a role in the implementation of decisions of the High-Level Plenary Meeting concerning the UN Charter and any amendment thereto at its last session pursuant to a proposal from Trinidad and Tobago. Time has come now to devise modalities to implement this decision.

Thank you Mr. Chairman.



731. Statement by Dr. Prasanna Kumar Patasani, Member of Parliament and Member of the Indian Delegation, on Agenda Item 33 : Questions Relating to information in the Fourth Committee of the 60th session of the UN General Assembly.

New York, October 14, 2005.

Mr Chairman,

The Indian delegation welcomes this opportunity to comment on "Questions relating to Information." Through his statement delivered on Wednesday, Under Secretary General Shashi Tharoor has set the tone for a lively debate, and I would like to take this opportunity to congratulate him for the dynamic leadership that he has provided to what is now a restructured and revitalised Department of Public Information (DPI). There is now a new operating model and a new organisational structure, in an attempt to optimise resources for the maximum public impact. We would like to assure Mr Tharoor and his team of our fullest support and cooperation in the road ahead.

We associate ourselves with the statement delivered by the distinguished representative of Jamaica yesterday in his capacity as Chairman of G-77 and China.

Mr Chairman,

Less than a month ago, the UN was host to a gathering of some 155 world leaders at the 2005 World Summit. While the outcome may not have been optimal, the Outcome Document contains language that reaffirms, on the one hand, the importance of the multilateral system and on the other, charts the steps needed to reach the Millennium Development Goals as well as agreements in certain key areas that will require intense follow-up and a continued commitment from the member states of the United Nations. The challenge for the DPI, the public voice of the Organisation, was to communicate to the world the Summit process and its outcome. We would like to commend Mr Tharoor and his team from the DPI for a job well done.

Even as it forges ahead in the post-Summit era, the DPI must make a special and concerted effort to meet the concerns and special needs of the developing countries in the field of information and communications technology. The "digital divide" continues to be vast; huge segments of the

population in developing countries continue to be deprived of the benefits of the information and technology revolution; these inherent imbalances must be removed. As member of the G-77, we have stressed that the new should not be at the expense of the old, that traditional media, including radio and print, are of particular relevance in developing countries in disseminating the main message of the United Nations. We are convinced that this message is being heard and acted upon.

The focus should also continue to be on the core social and economic developmental issues, which remain areas of high priority for the developing countries. We have taken note of recent efforts made in the past year, in particular, those relating to the prevention of HIV/AIDS, Human Rights, the Question of Palestine, Decolonisation and the special needs of the African Continent. We would encourage DPI to do more, in terms of highlighting the issues involved, and the work of the Organisation in addressing them.

Mr Chairman,

The role of the United Nations Information Centres is critical, both in enhancing the public image of the United Nations and in disseminating the message of the United Nations to local populations, especially in developing countries. We have, in the past, supported the initiative to regionalise these centres, premised on the need to maximise scarce resources for optimum public impact. While we were disappointed that the project as initially conceived could not succeed, we remain a strong votary of the idea to promote a more systematic and effective flow of information and expanded outreach activities. We reiterate our earlier request that the Secretary-General continue to make proposals in this direction, including through the re-deployment of resources, where necessary. We are heartened to learn that efforts to forge regional synergies continue, and would like to assure the DPI of our full support for further improvisation and innovation, in this regard.

As a leading troop contributing country, we attach significance to the relationship between DPI and the Department of Peacekeeping Operations (DPKO). We are impressed by the strides made by the DPI in the past year, in an attempt to bridge what was described last year as an "information deficit" between the realities and successes of peacekeeping operations and the perceptions of the public. It is timely that the Department is following a client-oriented approach that joins it with other Secretariat

departments, in an attempt to enhance system-wide coordination, and plug a glaring lacuna in the system. Even as peacekeeping faces new challenges, DPI and DPKO must devise and implement a comprehensive and effective communications strategy. Particular emphasis must be paid to the successes of peacekeeping and the role of peacekeepers, an area hitherto inadequately focussed upon. At the very least, this would serve as an incentive for troop contributing countries to continue contributing troops to complex missions, quite apart from giving recognition where it is due.

Mr Chairman,

The United Nations website is a remarkable success story. The more than one billion hits achieved in 2004 is a testimony to this. We welcome efforts to constantly improve and update; the details contained in Document A/60/173 are indeed impressive. Also noteworthy, are the services being provided by the UN Webcast, particularly in the past year and during the 2005 World Summit. We note that the expansion of webcasting to all official languages is being actively pursued, and that the addition of the floor language is being implemented.

The outreach services of the DPI, in particularly educational outreach have continued to contribute towards promoting an awareness of the role and work of the United Nations on priority issues. The UN Chronicle deserves a special mention in this regard; both the print and on-line editions are well appreciated; the success of its online version, in particular, can be gauged by the approximately 88,700 page views per month, for the English version only. We also welcome efforts by the DPI to work towards a strengthening of its role as a focal point for two-way interaction with civil society, relating to the priorities and concerns of the Organisation. The recently concluded DPI/NGO Conference held in New York is a good example of the endeavours being made by the DPI in this regard.

Through it all, we also welcome the new emphasis on a culture of performance evaluation within the DPI. The statistics contained in Para 72 of Document A/60/173 are striking. The training that is being provided to staff at Headquarters and in the field to systematically assess the impact of their work is a natural corollary of this emphasis on evaluation; it is good to know that the Department is constantly exploring new avenues in this regard.

Mr Chairman,

There are many challenges for the United Nations in the post-Summit process, and for the DPI, the challenge is to make the UN's voice heard loud and clear. In doing so, it will constantly need to improvise, modernise and re-invent, in an attempt to tell the United Nations story in the most effective and efficient manner. We will continue to extend our full support to the Department in the fulfilment of its mandate.

Thank you, Mr Chairman.



732. Statement by Janardhana Poojary, Member of Parliament and Member of the Indian Delegation, on Agenda Item 128 : Scale of Assessments for the Apportionment of the Expenses of the United Nations in the Fifth Committee of the 60th session of the UN General Assembly.

New York, October 18, 2005.

Mr. Chairman,

At the outset, I would like to express our appreciation to Mr. Ugo Sessi, the Chairman of the Committee on Contributions, for his presentation of its report and also for his many years of service to the Committee. With the completion of his term in the CoC, his absence will surely be missed. We also thank the Controller for the presentation of the two other reports under this agenda item.

My delegation aligns itself with the statement made by the distinguished representative of Jamaica in her capacity as Chair of the G-77.

My delegation supports the conclusions of the CoC on the applications before it for exemption from the application of the provisions of Article 19. In addition, we support the cases of Liberia, Niger and Sao Tome and Principe as meriting similar consideration.

Presently, exemptions granted under Article 19 remain in effect only until 30 June of the following year. This means that Member States granted an exemption face the prospect of losing their vote between 1 July and the date on which the General Assembly takes action on the recommendation of the Committee on Contributions. It appears to us only logical that such exemption be granted at least until the end of the session of the General Assembly. We look forward to pursuing this issue in informal consultations.

We commend those Member States who have proposed multi-year payment plans and are making efforts to meet their obligations under those plans. In particular, we commend the Republic of Moldova for adhering to its payment plan and graduating from the provisions of Article 19. Last year Tajikistan, Niger and Georgia all made payments in excess of what was required by their respective payment plans and this needs to be appreciated. We do recognize however, that not all Member States in arrears may be in a position to submit such plans and those cases deserve our sympathy and patience. The experience with multi-year payment plans may be mixed. However, it remains the only tool available to assist Member States who are facing payment difficulties to reduce their unpaid assessed contributions, and recent experience is cause for some cheer on this account.

We note the proposal of the CoC to fix the deadline for timely payment from the date of issuance of the assessments, rather than from the date of their receipt. We would however like to point out the inordinate delay experienced on occasions in receiving the assessment letters – which affects Member State' ability to make timely payment - and call upon the Secretariat to take steps to address this problem.

In its resolution 58/1 B, the General Assembly had requested the Committee on Contributions to continue to review the methodology of future scales of assessments on the basis of the principle that the expenses of the Organisation should be apportioned broadly according to capacity to pay. The Committee has now sought guidance from the General Assembly on elements of the scale methodology or potential new elements for the scale of assessments for the period 2007-9. It is important for the General Assembly to now give such guidance to the Committee for its work at its sixty-sixth session. The following are our views on the elements:

Income measure: We agree that the scale of assessments for the period 2007- 9 should be based on Gross National Income (GNI) figures that are

as current as possible. However, comprehensiveness and comparability of GNI data are of equal importance and the pursuit of current figures should not in any way impact negatively on these considerations. We are also not convinced that the annual recalculation of the scale will not result in an annual re-negotiation of the scale – a situation we should avoid.

Conversion rates: We also agree with the Committee that market exchange rates (MERs) should be used in the conversion of data except when excessive fluctuations justify the use of price adjusted rates of exchange (PAREs) or other appropriate rates.

Base period: Since the present scale is based on an average of the machine scales of six years' and three years' data, it does not altogether smoothen out short term fluctuations in GNI data. Also, the averaging of the two sets of data was merely a compromise arrived at in 2000 and is devoid of any technical merit. From the point of view of simplicity, technical soundness and to help smoothen out such short-term fluctuations, we would favour a six-year base period.

Debt-burden adjustment: We are as concerned as the Committee that changes in coverage by the World Bank and OECD has resulted in debt data not being available for several countries after 2002. We hope that the Secretariat will be able to obtain relevant data in time for this Committee's consideration of the scales of assessment at its 61st session. We should also examine at that time the appropriateness or otherwise of the current application of the debt burden adjustment to higher income countries.

Low-per-capita income adjustment: My delegation believes that the amount of low per-capita income adjustment should continue to be distributed only among Member States above the threshold, which is the average per-capita GNI of all Member States, and not among all Member States.

Floor: Although the floor level of assessment was lowered from .01 percent to .001 percent since 1998, we would be open to examining if this still imposes an excessive burden on some of the smaller Member States. This is especially true for small island developing states and we urge the Committee on Contributions to consider this issue at its next session.

Ceiling: We are surprised from the report of the Committee on Contributions

that there was no discussion in the Committee on the ceiling of 22 percent that was imposed in 2000 on the contribution of one Member State.. Given that this ceiling is a major source of distortion in the scale affecting the application of the principle of capacity to pay for all other Member States, we had expected that the Committee would have devoted more attention to analyzing its impact and the rationale, if any, for its continuance. This is all the more so since the gap between the ceiling rate and that Member State's share of total world gross national income has widened since 2000. We hope that the Committee will discuss this issue in detail when finalizing its report on the scale of assessments for 2007-9. The Committee should also discuss whether the premise under which the ceiling rate was imposed, namely commitment to pay dues owed to the Organisation in a timely manner, has been fulfilled.

My delegation looks forward to discussing the above issues during informal consultations of this Committee with a view to providing guidance to the Committee on Contributions on the important work before it at its next session.

I thank you Mr. Chairman.



733. Statement by Pramod Mahajan, Member of Parliament and Member of the Indian Delegation on Agenda Item 29: International Cooperation in the Peaceful Uses of Outer Space in the Fourth Committee of the 60th session of the UN General Assembly.

New York, October 19, 2005.

Mr Chairman,

The Indian delegation is pleased to see the progress achieved by the Committee on the Peaceful Uses of Outer Space (COPUOS) at its 48th Session. COPUOS has actively promoted efforts aimed at bringing the benefits of space technology to mankind to ensure sustainable development for all. We are also satisfied to note that COPUOS, under the mandate of the General Assembly, has been a useful forum taking new initiatives aimed

at meeting the challenges and serving the interests of the entire humanity.

We would like to warmly congratulate Dr Adigun Ade Abioudun of Nigeria who successfully chaired the 48th Session of COPUOS. The presence of H E Mr Jean Ping, the President of the 59th Session of the General Assembly at the opening session was symbolic of his support to the Committee and its work. His appreciation of the work being carried out by the Committee and his broad perspective for space to be used for the betterment of human kind are worthy of emphasis. We are grateful to him.

We are happy to note that the Libyan Arab Jamahiriya and Thailand have joined the family of COPUOS as new members. We are confident that their participation will enrich the work of the Committee further.

We are meeting in the aftermath of huge natural disasters which have resulted in massive loss of life and property - the Tsunami disaster triggered by massive earthquake with its epicentre in Banda Aceh in Indonesia, the very recent floods/storms in new Orleans in USA and Central America and the most recent tragedy that caused a terrible earthquake in Pakistan, India and Afghanistan. India conveys its deepest condolences to all the countries whose people are affected by these tragedies. They remind us of the greatest urgency with which we have to deal with the subject of integrated global disaster management systems.

The Indian delegation notes with appreciation the activities covered by the United Nations Programme on Space Applications, in spite of budgetary constraints. The priority themes being concentrated by the Programme like Disaster Management support, especially Sustainable Development, and Capacity Building are of utmost importance to the developing countries.

The Indian delegation supports the recommendations of the action team on "Integrated Global Disaster Management Systems" led by Canada, China and France to establish a "Disaster Management International Space Coordination Organisation". We prefer this organisation to have informational, coordination and operational functions under the UN umbrella for universal access. Innovative financial models must be explored to make this initiative effective and useful to one and all.

The Indian delegation has also noted the consideration by the Legal Subcommittee of the subject of draft Protocol on Space Assets to the

Convention on International Interest in Mobile Equipment, a private legal initiative. It is very interesting to note widely varying views of the Member States on the issue of UN acting as the Supervisory Authority for the future Protocol. It is a matter of satisfaction to us that the Legal Sub-committee would continue to watch the development of the draft Space Assets Protocol.

The Indian delegation congratulates NASA, ESA and ASI for the successful landing of Huygens Probe on the surface of Titan, the Moon of Saturn, on 14th January 2005 as part of their joint Cassini Huygen's Mission. This represents a significant step forward in space.

It has always been India's endeavour to serve the poor, illiterate and deprived masses of our country, using the latest space technology.

In this respect, let me briefly state the programmes India undertook to achieve these objectives.

During the 48th COPUOS session, India organised an exhibition "India in Space". Through the exhibition, we tried to demonstrate how a developing country can use the tools offered by space technology to alleviate social and economic conditions both within and outside its borders. It highlighted the important role that the applications of science and technology play in the global development agenda.

The first operational launch of the Geosynchronous Satellite Launch Vehicle (GSLV) was successfully carried out on 20 September 2004 posting success in all of its three launches. The satellite, EDUSAT, is exclusively devoted towards supporting Satellite-based Educational networks across the country.

The ninth launch of India's Polar Satellite Launch Vehicle (PSLV) was successfully carried out from the Satish Dhawan Space Centre - SHAR on 5 May 2005. The Launch Vehicle orbited Remote Sensing Satellite CARTOSAT-1 meant for Cartography applications and an auxiliary satellite HAMSAT. Whereas the CARTOSAT enables three dimensional stereoscopic imaging, the auxiliary satellite, HAMSAT, is an ISRO contribution to the International Amateur Radio Operators.

ISRO is actively pursuing, in addition to Remote Sensing Applications Programme, three new Space Applications programmes, namely, Space-

Systems-based Tele-education, Space systems based Telemedicine, and Village Resource Centres (VRCs).

A large number of Satellite-based Educational Networks are being commissioned using EDUSAT. Telemedicine Projects were further expanded in the last one year. More than 50,000 consultations had taken place using these Telemedicine Projects. ISRO organised the International Telemedicine Conference at Bangalore from March 17 to 19, 2005 to create greater awareness on the technical, operational, social, financial and other related aspects of telemedicine. The Conference was attended by 550 delegates from 40 countries.

A Pilot Project on the Village Resource Centres (VRC) - was inaugurated in October 2004. The project is based on interactive VSAT-based Networks with possibility of deriving connectivity and enabling various services needed at the local level, and enabling tele-education, telemedicine and on-line support in rural areas, has already commenced. The initial results are very encouraging. For a country like India where 750 million people live in 600,000 villages, such projects show the real use of space technology in sustained development.

International cooperation, in particular South-South cooperation, has been an important component of India's Space Programme and a number of activities in this area have been taken up in the last one year.

A connectivity mission between India and the countries of the African Union had been launched last year, under which it was proposed to connect all the 53 nations through a satellite and fibre optic network. Apart from providing effective communication and connectivity among the nations, the same link would provide teleeducation, tele-medicine, e-governance, e-commerce, info-tainment, resource mapping and meteorological services. This network would give rural connectivity to the entire Pan-African Union - an effective way to use technology to provide democratic access and empowerment. A project report in this regard has been submitted to the African Union, which has appointed an expert committee to review the technical contents of the report. We understand that the African Union is now in the process of identifying beneficiaries among their member states, after which the project shall be implemented.

India has been an active member of the COPUOS ever since its

establishment by the General Assembly in 1958. India has participated in global cooperative programmes in such fields such as remote sensing, telemedicine, tele-education and space-based disaster management. India is a member of the International Charter "Space and Major Disasters" which has been operationalised on several occasions in response to earthquakes, floods, forest fires, etc.

India also hosts a Mission Control Centre for the International Satellite System for search and rescue designed to provide distress alert and location data to assist in search and rescue operations.

The Centre for Space Science and Technology Education for Asia and Pacific Region affiliated to UN which is based in Dehradun and Ahmedabad in India, continues to make good progress. The Centre has so far conducted 18 Post Graduate programmes with a duration of nine months. In addition, it organised a number of short-term Courses/Workshops. 622 scholars from 46 countries from the Asia Pacific Region and from outside of the Region benefited from the educational activities of the Centre.

We are happy to inform that the Centre will complete 10 years in November 2005 since its establishment in 1995. Over this decade, the Government of India through ISRO spent about 5 million dollars in creating the infrastructure for the UN Centre at Dehradun and Ahmedabad in India. The Centre is supported by India with a recurring expenditure of one million dollars per year both in kind and in direct grants-in-aid for the regular activities.

We earnestly believe that the Space is an instrument of development. We encourage capacity building through international cooperation enabling the developing countries to benefit from Space Application Programmes. We are convinced that sincere implementation of UNISPACE-III recommendations, providing practical benefits, will further enhance International Cooperation in the pioneering area of Space.

We, in India, have always believed since time immemorial in the Vedas - the ancient Hindu scriptures - which were written more than five thousand years ago:

Peace in the Heavens

Peace in the Space

will bring Peace to the Earth.

With these words, I have the pleasure of endorsing the Report of COPUOS.

Thank you, Mr Chairman.



734. Remarks by Ambassador Nirupam Sen, Permanent Representative at the UN at the Informal Consultations of the General Assembly on the Peace-building Commission.

New York, October 21, 2005.

Co-Chairs,

Let me begin by thanking you for organising these Informal Consultations on the Peacebuilding Commission and for the very good Options Paper circulated in advance. Let me also thank the Representative of the Secretary General for his remarks.

At the outset, I would like to align ourselves firmly with the remarks made by the distinguished Permanent Representative of Malaysia on behalf of the Non Aligned Movement. I shall therefore be brief and confine myself to remarks that reinforce or supplement what he has said. In the first place, the decision to set up the Peacebuilding Commission was taken by Heads of State and Government in the General Assembly and therefore it is logical for the Commission to be operationalised through a General Assembly Resolution. It has become fashionable to quote the Secretary General. I would like to quote his Keynote Speech at the Conference on Reforming the United Nations at Columbia University on October 17. He stated "The Outcome Document calls for the Peacebuilding Commission to be operational (in other words it has been set up and only has to be operationalised) by December 2005. But its establishment still requires a final General Assembly Resolution" (in other words a General Assembly Resolution and not any double or triple resolution with other bodies). On Sections III and IV, our approach is guided by the need for national ownership.

While we accept that 'transnational' is typographical error, the fact that it occurs in both the Sections in succession may be taken as a Freudian slip meant to reinforce its opposite namely national ownership. As we have had occasion to say on an earlier occasion, it is not a question of politics or ideology. Detailed case studies on East Timor and Afghanistan, which we have cited on an earlier occasion, clearly show that agendas of different international actors involved sometimes ignored the social and political complexity of actual reality; led to waste; could not deliver a national strategy; could not prioritise scarce resources; could not lead to a coordinated outcome of so many interests, policies, agendas and practices of donors and agencies. Therefore, national ownership is not a question of some abstract defence of legal sovereignty. It is the only practical and pragmatic answer to a practical problem. Even the Bretton Woods Institutions sometimes resisted coordination of activities and sometimes IMF policies were counter productive and in any case needed both close direction and closer coordination. In order to have an effective continuum where peacekeeping shades into peacebuilding, it may be necessary to deal with a situation where there is no clear cut national authority; even here embryonic national ownership has to be respected through clear guidelines on ascertaining and respecting the views of civil society and community representatives. We would therefore support III (a) and IV (a) and (b). Both for the above substantive and linguistic reasons the phrase 'as possible' should be replaced as suggested by NAM by the phrase 'where applicable', apart from correcting 'transnational' to 'transitional': national ownership is paramount and, as Oscar Wilde once said, "Good intentions invariably tend to be ungrammatical".

In Section VI, we would favour (a) and (c). In (a) in the second last line 'thereafter' makes for something unnecessarily rigid, limiting and schematic. As noted earlier, peacekeeping and peacebuilding have to be one continuum if even peacekeeping is to be optimal and successful. We therefore favour the NAM amendment replacing 'thereafter it shall provide advice' by 'and'.

On Sections VII and VII a, we agree with the EU that we should not reopen the Outcome Document regarding membership. But the Outcome Document only lists the different constituencies, sectors or groups. It does not provide a detailed mechanism of how these will find representation in the Peacebuilding Commission. As we have said once on an earlier occasion,

we are not replacing or reforming an existing body but creating a new body. There is no reason therefore to find even a limited place for rigidities and distortions. The body we create must be modern in the sense of reflecting contemporary aspirations and the spirit of the times: the principle of election therefore must inform it throughout. We do not also disagree that the permanent members of the Security Council have an institutional memory and experience that is valuable: the point at issue is different: how is this experience to find representation in the Peacebuilding Commission? We are firmly of the view that from each category or group members must offer themselves for election to the General Assembly which should decide. In short, the General Assembly must elect all members of the Organisational Committee. This also has the practical advantage of bringing to bear a wider and richer perspective; case studies reveal several mistakes by the Security Council; the method suggested would prevent mistakes which could be made, correct those that have been made, complete what is half done and enrich what is inadequate. Even in the case of Troop Contributors, not all the top five or ten may be involved in a particular mission: through the exercise of choice and election by the General Assembly those contributors whose experience is of relevance could be selected. We would also support the suggestion made by the distinguished Representative of Rwanda that the General Assembly should also choose from the category of countries with post conflict nation building experience; each situation is unique but there are commonalities that can be usefully studied and applied. Election by the General Assembly would enable such experience to be properly used.

I would conclude with two minor observations. It is not at all clear to us how gender balance (referred to in the EU statement) can be ensured in the Peacebuilding Commission. We also have doubts about the Swiss idea of including the private sector in an inter-governmental body. On this last suggestion therefore further discussions are necessary.



735. Statement by Pramod Mahajan, Member of Parliament and Member of the Indian Delegation, on Agenda Item 32: Comprehensive Review of the whole question of Peacekeeping Operations in all their Aspects in the Fourth Committee of the 60th session of the UN General Assembly.

New York, October 24, 2005.

Mr Chairman,

I would like to begin by thanking Under Secretary-General Guehenno, who has, as always, provided a lucid presentation of the overall situation relating to peacekeeping, as a precursor to our discussion on the "Comprehensive Review of the Whole Question of Peacekeeping Operations in all their aspects."

Let me also mention at the outset that my delegation supports the statement delivered by the distinguished representative of Morocco, on behalf of the Non Aligned Movement.

Mr Chairman,

While the statistics read out by Under Secretary General Guehenno in his presentation on 20 October were impressive indeed - the UN is today contributing a total of 83,000 troops in 18 peacekeeping operations across the world - this is, nevertheless, a sad commentary on us as a global community, that flashpoints are constantly on the increase around the globe. We would like to see a day when peace prevails all over, and we do not need even one peacekeeping operation of the United Nations. This may seem utopian today, but I say this, Mr Chairman, because we must continue in our efforts in preventing conflicts.

Mr Chairman,

The peacekeeping surge has brought new challenges and more demands. The old problems, however, still remain. We have said before and we will say so again that the main problems that beset peacekeeping are not a lack of resources or even personnel, but an un-representative Council, which lacks the political will to act and when it does, in a manner that is entirely inadequate. The recent developments in the UN Peacekeeping

Mission in Ethiopia - Eritrea offer an example. It has been more than two weeks since the Eritrean Government imposed a ban on helicopter flights within its territory. The integrity of the Mission and the safety and the security of peacekeepers stand deeply compromised. The Council's working methods too are not satisfactory. It refuses to draw in Troop Contributors - key players on the ground - into the discussions that would lead to an optimal decision. Even, if it does, it does so in a manner that is sometimes close to perfunctory. In the recent instance of UNMEE, Troop Contributors were involved after the Council had met and deliberated on the issue. While there have been attempts by others, who are non-permanent members, to utilise existing mechanisms of consultation, the overall situation is less than desirable. In the 2005 World Summit Outcome Document, Heads of State and Government had recommended that "the Security Council continue to adapt its working methods so as to increase the involvement of states not members of the Council in its work, as appropriate, enhance its accountability to the membership and increase the transparency of its work." In the case under reference, this has quite clearly not been respected.

India has been a strong votary for enhanced interaction between the Security Council, the Secretariat and Troop Contributing Countries (TCCs). This was borne out from our own bitter experience in UNAMSIL, when the Council changed the mandate from a Chapter VI to a Chapter VII mission, without consulting the two largest contingents to that mission, India and Jordan, leading to their eventual withdrawal. We have urged that TCCs must be involved early and fully in all stages of mission planning, particularly when there is a rapid deterioration in the situation on the ground, which would threaten the safety and security of UN peacekeepers. We have argued that TCC meetings should take place much before the Council adopts or renews a resolution, so that the views of TCCs, if found reasonable, may find their way into mission mandates. Article 43 and 44 of the UN Charter lay down in Chapter VII, that the Security Council shall invite members providing armed forces "to participate in the decisions of the Security Council concerning the employment of contingents of the Member's armed forces." This is observed mostly in the breach. If the Charter provisions are not followed, if TCCs are not given a say in the evolution of Council mandates, Troop Contributors may have little option in the future but to pull out of operations where their units are forced to take on tasks that either cannot or should not be done.

The Council should also shore up its participation in peacekeeping operations; more than 80% of troops today in UN peacekeeping operations are contributed by the NAM. This is a distressing reflection on its willingness to share the burden of maintaining international peace and security, especially since it carries the primary responsibility in this regard as enshrined in Article 24 of the UN Charter.

While we are focussed on the specifics of refining tools of UN Peacekeeping, we would also need to keep the broader picture in mind. It is indeed a sad spectacle that a variety of constraints, including most noticeably fiscal considerations, rather than the lofty goals enshrined in the UN Charter, now determine and circumscribe the peacekeeping activities of the UN. I am referring to the recent tendency to lean towards regional solutions in peacekeeping, particularly in the context of Africa. While we do recognise that the UN cannot be everywhere, we must guard against such operations becoming franchised or sub-contracted to a degree where the Security Council is perceived as using regionalisation as a device to shirk the exercise of its global responsibility for peace and security. It is our firm view that there cannot be a substitution of the UN's primary responsibility in this regard; it is the only universal Organisation with a legitimacy and moral authority that is unique and an experience and expertise that is unparalleled.

We have been preoccupied for the greater part of this year over the issue of sexual exploitation and abuse by UN personnel in peacekeeping missions. India has already endorsed the UN's policy of zero tolerance on the issue, and a manifestation was the commitment displayed by the India delegation at the extraordinary session of the C- 34 held in April this year. We were willing to go further than many, especially those who would now like to suggest to the DPKO that 'offending nations' in peacekeeping operations should not be repeated. As a country with an impeccable track record and proven credentials, we would like to assure the Secretary-General that we will continue to work vigorously towards full implementation of his recommendations on the issue.

Other important issues include the on-going debate on enhancing the UN's capabilities to deploy rapidly and effectively and problems concerning the safety and security of UN peacekeepers. We have noted with interest that a Standing Civilian Police Capacity is ready to roll next year, albeit on a pilot basis, in order to facilitate early civilian police start up.

We look forward, likewise, to resuming discussions on the Strategic Reserves concept, another recommendation that has flowed from the High Level Panel Report.

We fully subscribe to concerns about the safety and security of peacekeepers and associated UN personnel. [In the UNMEE case, the Security Council is not exactly advancing these.] These must, in all instances, receive the very high priority they deserve, in particular, in the field, where the problems are. We have noted that a comprehensive policy on Joint Operations and Joint Mission Analysis Centres (JOC/JMAC) is being developed, building on best practices from the field; a glaring lacuna, hitherto, has been the paucity of tactical information to the troops; we urge the DPKO to make a serious attempt to overcome this problem, so that information is available to the troops, and in real time. For too long, have our troops survived by their wits and managed with their own resources.

India has been a part of UN peacekeeping operations since its inception in the 1950s. In Africa, starting with ONUC in 1960, the UN has sent peacekeeping forces into the Congo, Namibia, Somalia, Mozambique, Angola, Rwanda, Sierra Leone, Ethiopia-Eritrea, Liberia, Cote D'Ivoire, Burundi and now the Sudan. We have been in most of them, with brigades in the Congo and Somalia, and formed units, usually at least a battalion, in Mozambique, Angola, Rwanda, Sierra Leone, Ethiopia-Eritrea and the Sudan. Nearly 70,000 Indian peacekeepers have so far served under the UN flag, and more than 100 personnel have made the supreme sacrifice to safeguard the honour of "Blue Helmets". We think we have earned the right to speak frankly about the real needs of peacekeeping, to ask if what is being proposed addresses these, and to make suggestions that we believe do. It is in this spirit that we have participated in the general discussions today. I would also like to assure you, Mr Chairman, of my delegation's fullest support as we will continue to tackle the challenges of peacekeeping in 2006.

I thank you, Mr Chairman.



736. Statement by Mrs. Mohsina Kidwai, Member of Parliament and Member of the Indian Delegation, on Agenda Item 46: Integrated and Coordinated Implementation of and Follow-up to the Outcomes of the Major United Nations Conferences and Summits in the Economic, Social and Related Fields and Agenda Item 44: Follow-up to the Outcome of the Special Session on Children in the 60th session of the UN General Assembly.

New York, October 25, 2005.

Mr. President,

At the outset, please allow me to thank you for this opportunity to express our views on the critical task before us of implementing and following-up the outcomes of the major United Nations conferences and summits in the economic and social fields, in particular, the decisions of the 2005 World Summit. We believe that effective follow-up and implementation of decisions is often as important as the decisions themselves and we therefore take the task before us seriously.

The 2005 World Summit Outcome included a number of key decisions designed to improve the functioning and performance of the United Nations. These included, inter alia, a commitment by all governments to achieve the Millennium Development Goals by 2015; establishment of the Peacebuilding Commission and the Human Rights Council in a time bound manner; concluding a Comprehensive Convention on International Terrorism; strengthening the UN's oversight capacity; scaling up of the response of the international community to infectious diseases and other emerging health challenges; support for early reform of the U.N. Security Council; and agreement on the deletion of anachronistic references to "enemy states" in the Charter. At the same time, much of the work initiated by the preparatory reports for this UN reform process, has been left incomplete. There is a need for the United Nations to provide direction on issues such as cancellation of debt, meeting of ODA targets, FDI flows, transfer of resources and environmentally-friendly technology to facilitate sustainable development and achievement of the MDGs. The Summit reflected agreement to "work expeditiously towards implementing the

development dimensions of the Doha work programme", but did not provide clear or comprehensive political direction to the WTO Doha Round of trade talks, which could have set the stage for the success of the Hong Kong Ministerial meeting in December 2005. The increasing impasse shows that such political direction was needed. We need to rectify this situation.

For satisfactory progress on UN reform, the question of distribution of economic and political power in the UN, including at the Security Council also needs to be addressed. As the UN Secretary General has stated, no reform of the United Nations can be complete without reform of the Security Council.

Mr. President,

The President of the General Assembly has attached utmost importance to the follow-up to and implementation of development issues in the 2005 World Summit Outcome. He has stressed the need for political momentum on development to be maintained and strengthened. He also pointed out that the UN, in particular, had to play its part in ensuring that the international community has in place appropriate ways and means to achieve the timely and full realization of the Millennium Development Goals. The General Assembly's ongoing work had to include items such as NEPAD, HIV/AIDS, migration and arrangements for reviewing the implementation of the Monterrey Consensus and that the Outcome Document had invited the Secretariat to undertake work on system-wide coherence this year with the aim of improving the way UN development, humanitarian and environment activities were managed and coordinated. We agree with the approach of the President of the General Assembly on the work that lies ahead, particularly follow-up on the developmental aspects of the Outcome Document.

The main purpose of the 2005 World Summit was to review the implementation of the Millennium Declaration. Unfortunately, most countries would not be able to achieve the Millennium Development Goals, given their current levels of growth and levels of international support. Efforts have to be made at both the national and international levels to reach the targets set. While both the Millennium Declaration and the Outcome Document have spoken of exploiting the beneficial aspects of globalization, agreement on and implementation of the modalities is still lacking. Making the process of globalization fairer and more equitable remains one of the main challenges

of our time. An achievement of the G-77 was progress on systemic issues critical for good international economic governance. This has to be built upon.

Monitoring the progress made in the implementation of MGD 8 by developed countries is an integral part of the monitoring of MDGs as a whole. Therefore, country-level reports by developed countries with regard to progress on commitments to developing countries would remain important. It is essential to ensure that commitments to provide additional resources are implemented without delay. We also believe that debt stock cancellation should be complemented by sharp increases in ODA in keeping with the Monterrey Consensus. The Outcome Document, in the context of commitments and initiatives aimed at enhancing resources for the developing agenda, recognised the progress made on the Innovative Financing Framework for Immunisation (IFFIm). Operationalising IFFIm is particularly important, since frontloading aid will enable many recipient countries to overcome the initial bottleneck in pursuing MDGs. However, any implementation scheme should not obscure the fundamental objective, namely, the rapid economic growth of developing countries enabling them to meet the MDG targets, especially with regard to poverty reduction and employment increase. The implementation of agreements contained in the Outcome Document should lead to the creation of more favourable international economic environment that would be more supportive of developmental efforts.

Mr. President,

The 2005 World Summit Outcome Document has given an impulse to the development of a strong counter-terrorism agenda. In accordance with the outcome of the World Summit, our priority must remain on the conclusion and adopting of a comprehensive convention on international terrorism early in this session of the U.N. General Assembly. We welcome the Secretary General's offer of making available to the General Assembly an updated version of the elements of his previous strategy and would be happy to lend all support towards the adoption of a counter-terrorism strategy after the comprehensive convention is adopted. We also appreciate the formation of a Counter-Terrorism Implementation Force and the Secretary General's plan to submit proposals by early 2006 to the Security Council and the General Assembly to strengthen the capacity of the United Nations

system to assist States in combating terrorism and to enhance coordination. We can only caution here against the need to avoid duplication of work and mandates, given the plethora of bodies that are currently engaged in this exercise in the Security Council and elsewhere in the UN system.

Mr. President,

To overcome the marginalization of the developing countries, their empowerment through reform of the Security Council remains imperative. India will continue to work with like-minded countries to reach the broadest possible agreement for an expansion of the permanent and non-permanent categories, to respect deadlines, and to bring the reform process to an early and successful conclusion.

India looks forward to working with the President of the General Assembly in his efforts to complete work on the other unfinished agenda of reform as contained in the Outcome Document. This includes working through informal consultations of the plenary on the Peace Building Commission and the Human Rights Council. India welcomes the establishment of the PBC and hopes that it can begin its work before 31 December 2005. We also support negotiations with a view to concluding during the early part of the 60th Session of the General Assembly the work on establishing a Human Rights Council.

Mr. President,

The doubling of the regular budgetary resources of the Office of the High Commissioner for Human Rights (OHCHR) should respond to the broad mandate of human rights especially in augmenting capacity-building and offering greater technical assistance to the Member States at their request. The activities of the OHCHR in the area of 'greater country engagement' should not automatically result in increase in OHCHR personnel deployments, rather it should focus on improving the institutional capabilities of the country concerned. The interaction of the OHCHR with other relevant UN bodies should be coordinated for mainstreaming of all human rights, including the right to development. Activities and programmes of the OHCHR should address in a balanced manner not only civil and political rights, on the one hand, and economic, social and cultural rights, on the other.

Additional resources should also be judiciously used for streamlining reporting procedures and extending technical assistance to Member States for capacity building. We note from the report that the United Nations Development Group will finalize the strategy and work plan on strengthening the role of the United Nations special representatives, resident coordinators and humanitarian coordinators, and resident coordinator and country-based coordination systems by January 2006. A report on progress will be provided through the Secretary-General's yearly report to the Economic and Social Council in 2006. We look forward to examining this report. We also expect that the Secretary-General will apprise the Member States of the "next wave" of operational reforms to further strengthen management and coordination of United Nations operational activities.

Mr. President,

The Outcome Document called for a review by the General Assembly and other organs of their respective mandates older than five years and that decision on this are to be taken in 2006. The expectation in the Secretary General's report that all relevant organs and specialized inter-governmental bodies of the United Nations will complete this review in time for action in the first quarter of 2006 appears to be overly-optimistic. The report also states that the resulting Strategic Framework for the forthcoming biennium would be submitted to the Committee for Programme and Coordination in August/September 2006. We assume that this is an additional session of the CPC that is being proposed since that Committee has not taken any decision on postponing its substantive session from June/July 2006. We welcome the urgency with which the issue of strengthening of the Office of Internal Oversight Services is being treated. However, in the haste to carry out the recommendation of the Outcome Document, it would be a pity if we were not to seek the views of OIOS itself as to the quantum as well as areas that require strengthening. We are also puzzled to note that a separate independent external evaluation of the Office is being contemplated - something not been mandated by the Outcome Document. That document quite clearly states that the external evaluation will focus on the entire auditing and oversight system of the UN and specialized agencies in the context of a comprehensive review of governance arrangements. We do not believe that a piecemeal approach such as that which has been proposed has any merit. We also look forward to receiving proposals from the Secretary-

General on the other aspects of management and Secretariat reform as mandated in the Outcome Document.

Mr. President,

We have carefully perused the Secretary-General's report providing the third update on the follow up to the special session of the General Assembly on children. We agree that most of the goals of "A world fit for children" will be achieved only through a major intensification of action for disadvantaged children and families across the world. Examples of rapid progress in individual countries and regions have demonstrated that accelerated progress is possible, but current efforts need to be expanded and better supported by resource allocations.

Thank you, Mr. President.



737. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item : 124, Proposed Programme Budget for the Biennium 2006-2007 at the Fifth Committee of 60th UNGA.

New York, October 25, 2005.

Mr. Chairman,

Since this is the first time that I am speaking in this Committee at this session, let me offer my congratulations to you and to the other members of the Bureau on your election. We support the leadership of the Secretary General on the follow-up of the implementation of the Outcome Document. We will however not comment on that subject here since there are many elements that are outside the purview of this Committee and are more appropriately addressed in other fora. We wish to thank the Secretary General for his presentation of the Proposed Programme Budget of the Organisation for the coming biennium and to express our appreciation to the Acting Chairman of the Advisory Committee, Mr. Rajat Saha and the Vice Chairman of the CPC, Mr. Yoo-Dae Jong for the introduction of their respective reports.

Jamaica as Chair of the G-77 has outlined the approach of the Group towards the Budget documents and my delegation aligns itself with that statement.

Looking at the proposed programme budget figure of around 3.6 billion US dollars for the biennium, we are struck by the fact that the regular budget accounts for only about 20 percent of the total outlay of the Organisation. Extra-budgetary resources are expected to touch 5.6 billion US dollars while peacekeeping budgets would total 10 billion US dollars. Over these 16 billion US dollars, there is comparatively little or no inter-governmental scrutiny. And yet, negotiations on the regular budget tend to take up disproportionate time and effort of this Committee. This is because firstly, there is a tendency to view the Regular Budget by major contributors as a soft target involving little political sensitivity. Consequently, even essential areas such as training or public information face cuts from budget to budget with long-term adverse effects on the Organisation's ability to deliver on our expectations of it. Secondly, some Member States proceed to negotiate the budget on the basis of a pre-determined level beyond which they are unwilling to go. This detracts from an examination of the actual merits of the proposals. Still others would rather fund activities through extra-budgetary sources so that they can exercise greater control over what to fund. The growing share of extra-budgetary funding is testimony to this. The proposals of the Secretary General are thereby sought to be pared down more from these considerations than on any rigorous analysis of where and if at all the possibility of reductions exist. Nor is there any relation to the need for funding commensurate to the mandates that all Member States have approved. A proper analysis of the budget proposals would not be possible without avoiding these attitudes.

Developing countries on the other hand, have little say in decisions that result in the mandates corresponding to over 80 percent of the resources of the organization. It is the Regular Budget that developing countries see as the vehicle through which the UN addresses their areas of priority in social and economic development where they face immense challenges and where they expect the Organisation to play a leading role. It is also the vehicle for ensuring the effective conduct of the deliberations of inter-governmental organs. They generally look at programme budget proposals on their merits and have traditionally been supportive of the Secretary General's budget proposals.

While we believe that inter-governmental budget scrutiny is essential, we would urge that delegations favor an approach that rather than seeking to arbitrarily reduce the size of what is already a very small part of the total UN budget, focuses instead on the merits of the proposals themselves and how the resources can be used more effectively.

Turning now to the proposals before us, some Member States have expressed surprise and dismay at the growth in the size of the budget from the initial proposals in the previous biennium. Such surprise is frankly astonishing considering that during the biennium, the General Assembly had approved a number of new mandates including the largest increase in posts in the history of the United Nations when over 700 new positions were created in a new Department of Safety and Security. In real terms, the budget shows a growth of 0.1 percent over the last biennium which is far less than the modest 0.5 percent growth in the previous biennium. Even in such areas which demand high priority such as United Nations support for NEPAD, the proposed real growth of resources is a mere 1.7 percent.

We are particularly glad that the proposed programme budget presented by the Secretary-General destroys several myths that have recently gained currency:

Myth number one : that existing rules and regulations leave no scope for discontinuation of outputs which have outlived their usefulness. We commend the Secretary General for having identified for discontinuation over 3,019 recurrent outputs that are considered ineffective, obsolete and of marginal usefulness. Only 900 or so had been identified in the previous biennium. This proves that existing regulations and rules can indeed be used to free up resources for more useful purposes. It is another matter that out of the 3,000 thousand outputs proposed for deletion, nearly 2,800 are in the areas of economic and social development. In comparison, only 4 outputs relating to peacekeeping and 7 outputs relating to political affairs are proposed for deletion. This would appear to be somewhat unbalanced. However, we are open to examining the reasoning behind such proposals.

Myth number two: that there are no tools available to the Secretary-General to effect flexibility in the allocation of resources. In the proposed programme budget, the Secretary-General has proposed resource reallocation of 100 million US dollars between different sub-programmes and over 50 million dollars among different sections of the Budget. Also, as

many as 243 posts have been proposed for redeployment between different programmes - a considerable number for a single biennium. As we had occasion to state earlier in a different context, we view the Budget as the appropriate instrument for proposing such reallocation in order to update the programme of work of the Organisation and to align resources with priorities and we are glad that the Secretary General has utilized this tool.

Myth number three: that the budgetary rules and regulations are outdated and need to be comprehensively reviewed. The Secretary-General himself notes that this budget is the first to be proposed in accordance with the reform of the planning and budgetary process that was undertaken in the 58th session and that the proposals have benefited from these strengthened arrangements.

Myth number four: that the UN's Regular Budget resource requirements are mushrooming out of control. In reality, the share of the regular budget is shrinking rapidly. Extra budgetary funding is already over one and a half times the Regular Budget. The proposed growth in the Regular Budget over the last budget period is only 276,000 US dollars as compared to 185 million US dollars of extra budgetary funding growth and over a billion US dollars in peacekeeping budgets.

On the issue of accountability, we believe that if proper accountability systems are in place, there would be less of a tendency of the General Assembly to 'micro manage'.

It has been said that the roles of the Secretary-General and the General Assembly have to be 'disentangled' - that was the term used. The lesson from the report of the Volcker Commission is that it is not the General Assembly but the Security Council, several of whose members were in operational control of the Oil for Food Programme, whose role needs to be disentangled from the Secretary General's.

We would like to assure the Secretary-General, that like others in the G-77, my delegation will examine the budget proposals positively with a view to ensuring that the budget reflects the priorities and conforms to the mandates given by Member States. We will oppose any approach to the budget that proceeds from the standpoint of an arbitrary ceiling and will examine all proposals purely on merits. The overriding consideration will be

to give the Organisation the resources it needs to carry out its mandates effectively and to ensure its financial health and effectiveness.

We would take a negative view of any attempt to hold hostage the regular budget of the United Nations to the pursuit of other ends. Because the General Assembly is the only truly democratic body in the United Nations, we should strive to ensure that it remains that way and that the priorities of the vast majority of its membership are reflected in the Regular Budget of the Organisation. The notion that larger contributors should have more of a say in the running of the Organisation is as unacceptable as to say that in an electorate, rich voters should have more votes since they pay more in taxes.

We recognize that the follow-up of the Outcome Document of the World Summit 2005 would have budgetary implications. We firmly believe that these should be proposed as additional appropriations distinct from the proposed programme budget. Nor would we be in favour of any proposal to approve a Budget for a shorter time period.

My delegation looks forward to discussions on the proposed programme budget and the related recommendations of the Advisory Committee and the CPC and to working with other delegations for a productive and optimal outcome. As a little known author, Catharine Cookson said, ' I want to use my money to die in comfort', we hope that the Organisation will have enough money, and use it wisely not to die, but to live with renewed vitality to the benefit of its members.

I thank you, Mr. Chairman.



738. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Threats to International Peace And Security Caused by Terrorist Acts at the Security Council.

New York, October 26, 2005.

Mr. President,

As this is the first statement I am making in the Security Council this month, I wish to take the opportunity to warmly felicitate you on your dedicated and talented stewardship of the Council. I would also like to sincerely congratulate you and members of your team for your effective guidance of the work of the Council.

Let me also thank the Chairmen of the three Security Council Committees established pursuant to Resolutions 1267, 1373 and 1540, for their comprehensive briefings on the progress made in their respective areas. We wish to also acknowledge the work carried out by the Counter-Terrorism Executive Directorate, the Analytical Support and Sanctions Monitoring Team and the Group of Experts of the 1540 Committee in the pursuance of their respective mandates.

Mr. President,

Earlier this month, terrorists struck for a second time in Bali, Indonesia, extracting a toll amongst innocent civilians. The victims were unconnected with any ideology, policy or programme directed against terrorists but nonetheless fell to these very forces. While our thoughts go out to them and their families, such incidents also reinforce the absolute importance of countries working together to root out the scourge of terrorism. India is determined to continue to effectively contribute to such an effort.

Mr. President,

Terrorism has become a global phenomenon to which no country or society can remain totally immune or indifferent. The Prime Minister of India recently stated that "The end of the Cold War, increasing global interdependence and the trans-border nature of many threats have made strategic concepts developed in a bi-polar world somewhat irrelevant. While the international community has made some progress in evolving a

rulebased order for managing the economic and commercial dimensions of globalization, the absence of an effective, rule-based order is acutely felt in addressing contemporary security threats, such as terrorism and the proliferation of weapons of mass destruction".

The United Nations is uniquely placed to provide the multilateral platform necessary for real global cooperation and coordination in our common fight against terrorism and the proliferation of weapons of mass destruction. It is also for this reason that the actions of the Security Council alone, no matter how effective, cannot provide a sufficient response to the global security threats we face today.

Mr. President,

The 2005 World Summit Outcome contained a clear and unqualified condemnation of terrorism by all governments. It, inter alia, reiterated its call to States to "refrain from organising, financing, encouraging, providing training for or otherwise supporting terrorist activities and to take appropriate measures to ensure that their territories are not used for such activities". It also stressed the need to make every effort to reach an agreement on and conclude a Comprehensive Convention on International Terrorism during the sixtieth session of the General Assembly.

India initiated the draft Comprehensive Convention on International Terrorism in the General Assembly during its 51st session. We believe this draft supplements the thirteen sectoral conventions on terrorism and provides a comprehensive legal framework upon which States can base their cooperation for extradition and mutual judicial assistance in connection with terrorist crimes. However, it has been almost a decade in the making.

Every effort has been made to narrow the existing differences and to address the issue of the legal regime under the draft Convention and international humanitarian law. In situations where international humanitarian law applies, it is important that the legal balance must not be altered. In the current climate of increasing acts of terrorism, we believe all States should work expeditiously towards the adoption of the draft convention early in the sixtieth session, as proposed by the President of the General Assembly. We remain convinced that such a convention would also greatly facilitate the work of the Security Council in the area of counter-terrorism.

Mr. President,

The people of India have faced the scourge of cross-border terrorism for well over two decades. We have suffered its consequences but have also, over time, accumulated the expertise and experience to deal with this menace through prevention, interdiction and deterrence. Our experience has addressed the unique forms and techniques utilised by terrorists in our region to attain their objectives. Unfortunately, we have also seen increasing use of such methods in other parts of the world. These include use of informal channels of banking and the movement of people and arms, facilitated by the unholy nexus of drug and human traffickers and terrorists.

Relevant Indian departments and specialised agencies have developed considerable expertise in tackling such problems as terrorist financing, alternative currency transfer systems, money laundering, and illegal arms trafficking. They have also acquired a sound knowledge of customs law, extradition law, immigration law, financial law, legislative drafting, border patrol, police and law enforcement. We would, in principle, be happy to share this expertise with countries that require to build capacity in such areas. We were, therefore, pleasantly surprised to find ourselves being offered assistance by the Counter-Terrorism Committee (CTC) in the very areas in which our experience has been amply demonstrated. Such an offer though no doubt kindly meant is like carrying coals to Newcastle. In our view, it would be of far greater benefit to Member States if the experts at the disposal of the CTC employ themselves more profitably by imparting real and practical expertise to States that request and really require such assistance.

We note that the Third Report of the Analytical Support and Sanctions Monitoring Team established pursuant to resolution 1526, released by the Council last month, warned that with Al-Qaeda's continuing evolution, the threat of significant attack remained real. It has also acknowledged that the different sanctions against the Al-Qaeda and Taliban have not achieved their full potential. It is clear that the Council would need to continually adapt its existing measures to match the ability of these organisations and their associates to find a way around the efforts of the international community to tackle them. Containment measures have to keep abreast of methods that mutate.

We would also like to caution against any casual moves towards reconciliation with elements of the Taliban. We continue to maintain that individuals on the Taliban Consolidated List must remain there, with their assets frozen and their inability to rejoin Afghan society remaining in position. They must not be de-listed without giving up their former affiliations and being made accountable through due process for past actions against their countrymen.

The 1540 Committee must continue its work to ensure the non-proliferation of weapons of mass destruction. Such an effort must remain equally vigilant against proliferation by both States and non-State actors. At the same time it should act against both the recipients and sources of proliferation. Nor can non-proliferation be selective.

Turning a blind eye to supposed allies and targeting supposed adversaries can only undermine 1540. I wish to thank the distinguished Permanent Representative of France for his reference to India's report to the 1540 Committee. The working group established under resolution 1566 has the unique opportunity to shape the future direction of the United Nations effort against terrorism. We wish to commend the Philippines for chairing this working group and for its contribution to the work of the Council. My delegation has made certain suggestions to the Chair of the working group on the implementation of resolution 1566. We are hopeful that the working group will expeditiously move forward the cooperation on counter-terrorism identified in that resolution.

Thank you, Mr. President.



739. Statement by Jaya Bachchan, Member of Parliament at the Inter-Parliamentary Union 2005 Parliamentary Hearing on the Role of Parliaments in the Global Fight against Terrorism.

New York, October 31, 2005.

Mr. President,

Terrorism has become a global phenomenon to which no country or society can remain totally immune or indifferent. It constitutes one of the most serious threats to peace and security. It knows no border or boundary, it observes no code of conduct or constraints of religious ideology, nor is it restrained by humanity or the bounds of civility.

The terrorist attack in New Delhi, just two days ago, is particularly dastardly as it occurred during the festival time in markets crowded with shoppers. The timing, venues and the coordinated attacks were intended to cause maximum damage. More than 60 people were killed and over 200 injured. India will not allow the terrorists to succeed. We are resolute in our commitment to fighting terrorism in all forms and will spare no effort to track down the culprits. We would also like to thank you, Mr. Chairman, all those who have expressed condolences over the incident.

Mr. President,

Terrorism cannot be justified under any circumstance be they political, philosophical, ideological, racial, ethnic, religious or other similar nature. At the same time, the fight against terror has to be fought within the boundaries laid down by the rule of law and fundamental freedoms.

The 2005 World Summit Outcome Document reiterated a call to States to "refrain from organising, financing, encouraging, providing training for or otherwise supporting terrorist activities and to take appropriate measures to ensure that their territories are not used for such activities". It also stressed the need to make every effort to agree on and conclude a Comprehensive Convention on International Terrorism during the 60th session of the UNGA. In the current climate of increasing acts of terrorism, we believe all States should work expeditiously towards the early adoption of the draft convention.

Mr. President,

It is only through strengthening of secular democratic forces that we can gain the upper hand in the battle against terrorism. The United Nations is uniquely placed to provide the multilateral platform necessary for real global cooperation and coordination in our common fight against terrorism. We must fight terrorism wherever it exists, because terrorism anywhere threatens democracy everywhere.

Thank you, Mr. President.



740. Statement by Sitaram Yechury, Member of Parliament and Member of the Indian Delegation on Report of the International Atomic Energy Agency at the 60th UNGA.

New York, October 31, 2005.

Mr. President,

Let me take this opportunity to convey our heartiest congratulations to Dr. Mohamed El Baradei, Director-General, IAEA, and under his able leadership, the International Atomic Energy Agency for the award of the Nobel peace prize for 2005. As a founder member of IAEA, India cherishes the recognition by the Nobel committee, of an outstanding contribution to world peace and security. We are confident that, as a distinguished son of a developing country, Dr. El Baradei would continue to understand the South's problems as well as its aspirations. An essential feature of the centrality of the IAEA in advancing the peaceful use of nuclear energy is that problems that may arise in this regard have to be addressed and resolved within the IAEA.

During the course of these deliberations, Mr. President, we heard the suggestion that countries that have not joined the NPT, should do so. In this context, I wish to reiterate that, India is strongly committed to disarmament and non-proliferation. However, asking us to join the NPT is like tilting at windmills. India continues to regard the NPT as a deeply flawed and discriminatory treaty.

Confidence in the IAEA is based on traditions of expertise, professional competence, objective standards and impartial action. It is important that non-discrimination should remain a vital consideration; the scope of instruments should not be sought to be re-defined without formally amending them; goal posts should not be selectively shifted beyond legal obligations. We are also not in favour of member States using technical bodies for conducting foreign policy by other means since this is contrary to the Charter of such bodies just as we are not in favour of the UN Security Council arrogating to itself legislative and judicial powers since these are never mandated by the Charter and some times violative of jus cogens.

The issues relating to global climate change, sustainability of energy resources while meeting the ever increasing energy needs to support economic development and concerns regarding escalating trends in fuel prices, point to the inevitability of nuclear power. Global nuclear renaissance is now a reality.

India which constitutes one-sixth of the global population is on a rapid economic growth path. A recent study has revealed that we will need to augment our electricity generation nearly ten-fold in the next four to five decades. This would be a significant fraction of global electricity generation. A large fraction of this energy coming from nuclear power would be of immense benefit, in the context of environment and sustainability concerns, for India as well as for the rest of the world. Nuclear energy is thus an important and inevitable option for India. As a part of realizing this objective, we have been pursuing a self-reliant indigenous nuclear power programme. This programme is designed to realize our long-term energy requirements utilizing our vast thorium resources. This is of crucial importance to us as our uranium resources are modest.

We look forward to a rapid growth in nuclear power generation capacity in India based on full international civilian nuclear cooperation as we continue our efforts to develop appropriate indigenous technologies towards realization of the ultimate goal of large-scale utilization of thorium for energy production not only in the form of electricity but also as hydrogen. We expect that the unique case of India as a responsible country with advanced nuclear technologies developed in a self-reliant manner, its large - scale energy requirements which have ramifications in terms of protecting

the global climate, ensuring sustainability of energy resources and restraining escalating spiral of fuel prices, its impeccable record in terms of non-proliferation of WMD & related technologies and adherence to all its international commitments would, by example, contribute to finally extinguishing restrictive technology regimes. India's willingness to advance civilian nuclear energy cooperation with international partners is based on the principles of sovereign equality and non-discrimination and consistent with our national policy of maintaining the integrity of our three-stage nuclear energy programme, and ensuring the full autonomy of our nuclear programme.

I would like to highlight some of the recent developments in India. The first 540 MWe Pressurised Heavy Water Reactor (PHWR) unit at Tarapur has commenced commercial operations about 7 months ahead of schedule. Unit - 1 of Kakrapar Atomic Power Station has been operating continuously for more than a year. This is an Indian record. We have now embarked on the development of Fast Breeder Reactor (FBR) - based second stage of our programme with the start of construction of the 500 MWe Prototype Fast Breeder Reactor launched in October last year. The indigenously developed unique Plutonium-rich mixed carbide fuel used in the Fast Breeder Test Reactor (FBTR) has performed extremely well crossing a burn-up of 148,000 MWd/t, without a single fuel pin failure. One of the important achievements during the year was closing of the fuel cycle of FBTR. The FBTR fuel discharged at 100,000 MWd/t has been successfully reprocessed. This is the first time that the Plutonium - rich carbide fuel has been reprocessed anywhere in the world.

Construction of five PHWRs is progressing on schedule. These along with the two 1000 MWe Light Water Reactors (VVERs) presently under construction at Kudankulam in collaboration with Russian Federation would contribute 3420 MWe additional carbon-free electricity to the Indian grids in about 3 years time.

We have taken up development of sites for new nuclear power units and have commenced work to identify additional sites for further expansion of the programme.

The design of Advanced Heavy Water Reactor, an innovative Indian

design aimed at moving further on thorium utilization route is under regulatory review. We intend to proceed further to take up its construction after the review process is complete. Work on development of a Compact High Temperature Reactor with the aim of producing hydrogen, which could be the most important energy carrier in the future as well as development of Accelerator Driven Systems that could sustain growth with thorium systems and enable incineration of long lived radioactive wastes is progressing well. The development of laser-based Uranium-233 clean up system, a crucial elements in thorium utilization programme has made significant progress. The Steady State Superconducting Tokamak - SST-1 would soon see the first plasma shot. We are looking forward to joining the International Thermonuclear Energy Reactor (ITER) project involving nuclear fusion as a full partner.

The International Atomic Energy Agency is playing a vital role in the peaceful uses of nuclear science and technology in a safe and secure manner. As in the past, we have been working in close partnership with the Agency. Our experts are involved actively in the Agency's international project on Innovative Nuclear Reactors and Fuel Cycles (INPRO). India has committed itself to carry out an INPRO Joint Study for an assessment of an innovative nuclear energy system based on high temperature reactors for the production of hydrogen using the INPRO methodology.

India continued to offer training facilities, fellowships, scientific visits etc. and provide the services of our experts to other countries through the agency. In the area of nuclear safety and security, India ratified the Convention on Nuclear Safety and participated in the third review meeting of the contracting parties held in April as an Observer. We also took active part in the amendment process to the Convention on Physical Protection of Nuclear Materials. India, United States and IAEA have established a Regional Radiological Security Partnership programme (RRSP). Under this framework, India offered to provide infrastructure and expertise on a regular basis for conducting International Training Courses in India under the aegis of IAEA, on issues relating to the Security of Radioactive Sources and materials as also for locating Orphan Radioactive Sources in countries which are unable to effectively deal with these and which seek assistance from the IAEA.

Mr. President,

I wish to conclude by reiterating that the Agency is a unique multidisciplinary organization in the UN family together we should ensure that it grows from strength to strength.

Thank you, Mr. President.



741. Statement by Ganesh P. Singh Member of Parliament and Member of the Indian Delegation on Agenda Item 80: Report of the International Law Commission on the Work of Its Fifty-Seventh Session: Responsibility of International Organizations Shared Natural Resources and Effects of Armed Conflicts on Treaties at the Sixth Committee of the 60th Session of the UN General Assembly.

New York, November 1, 2005.

Mr. Chairman,

At the outset, my delegation would like to congratulate Mr. Djamchid Momtaz, Chairman of the International Law Commission, for his lucid introduction of the report on the work of the International Law Commission at its 57th session. We welcome this opportunity to participate in the debate on the report of the International Law Commission and to offer our comments on the topics of Responsibility of International Organizations, Shared Natural Resources and Effects of Armed Conflicts on Treaties.

Mr. Chairman,

The work on the subject of Responsibility of International Organizations has made considerable progress since the last session, under the able guidance of the Special Rapporteur, Prof. Gaja. The Commission in its 57th session has adopted Articles 8-16. We agree with the Special Rapporteur that wrongful act of an international organization could consist of either an act or an omission and are satisfied that both these possibilities

have been covered by the draft articles. We have the following specific comments to offer on some of these Articles. These are preliminary in nature.

Article 8 deals with the existence of a breach of an international obligation. According to paragraph (1) of this article, "there is a breach of an international obligation by an international organization when an act of that international organization is not in conformity with what is required of it by that obligation, regardless of its origin and character". This principle is extended in regard to the breach of an obligation under international law established by a rule of the international organization in paragraph 2 of Article 8. The second paragraph of article 8 raises a question whether all the obligations arising from the rules of the organization are to be considered as international obligations. This issue is controversial. There is no definitive answer to the question raised. However, we are of the view that this paragraph would apply only to the extent that an obligation arising from the rules of the organization has to be regarded as an obligation under international law and therefore the rules, which are merely procedural or administrative in nature, would not get covered. We are also of the view that, in certain cases, determination of the responsibility of the organization on the basis of rules of the organization would lead to the assessment of the collective responsibility of the member States who set the organization's policy.

Mr. Chairman,

Article 15 is a new article. The subject matter of this article, namely, the attribution of responsibility in an international organization for the conduct of a state relying on its decisions/recommendations, involves consideration of some complex and overlapping issues. Fixing responsibility on an international organization for requiring its member State to commit an internationally unlawful act is one such issue which requires a careful study of precedents. Article 15(1), which provides for responsibility of an international organization when the organization adopts a decision binding a member State or organization to commit an act that would be internationally wrongful if committed by the former organization, raises a question whether a decision by an international organization would completely exonerate the State. In our view, an action at the behest of an international organization that is in breach of the international legal obligations of the State and the organization requires further in-depth examination. Logically such an action

should attract responsibility under international law for the organization as well as to the State.

Article 15(2) which deals with an international organization incurring responsibility in connection with the act of a State or another organization relying on the recommendations of the international organization also needs a thorough examination given the diversity of international organizations and their mandates.

Mr. Chairman,

The complex nature of international organizations and their differing mandates make it impossible to make generalizations. Further, following the general pattern of the Draft Articles on "Responsibility of States for internationally wrongful acts", in the present draft too such articles could cause a similar result of the General Assembly taking note of these draft articles without deciding on further steps to adopt them in a binding legal instrument. The Commission, therefore, needs to take a cautious and contextual approach in developing articles on this topic. The whole exercise should not go beyond the extent where it would be inappropriate to draw analogies with regard to attribution and responsibility applicable to States in order to develop and articulate principles applicable to international organizations.

Mr. Chairman,

On the topic of Shared Natural Resources, we thank Prof. Yamada, the Special Rapporteur, for his third report containing 25 draft articles. Major difficulties with these draft articles are that they are modeled on the provisions of the 1997 Convention on Non-navigable Uses of Water-courses, which principally deal with surface waters and not ground water. In addition the draft articles are not supported by sufficient State practice. We believe that it would be inappropriate to apply the principle of "equitable use" embodied in the 1997 Convention on Non-navigable Uses of Water-courses, for the purpose of building a regime on ground water, where the role of "riparian rights" in the utilization of water is less pronounced.

Mr. Chairman,

Draft Article 5 of the third report, appears to be similar to article 5 of the 1997 Convention on Non-navigable Uses of Water-courses, which

posed problems during the negotiations of the Convention due to the twin principles of equitable utilization and reasonable utilization that it sought to address. We would like to caution, therefore, on the application of these two principles as regards ground waters.

Mr. Chairman,

We have to learn much more about transboundary aquifers in general, and be cognisant of the wide variation in specific aquifer conditions and State practice. India has consistently maintained that context-specific agreements and arrangements are the best way to address questions relating to trans-boundary ground-waters or aquifer systems. This will also enable the States concerned to take appropriate account of other relevant factors in any specific negotiation. My delegation, therefore, prefers development of guidelines that could be used for negotiation of bilateral or regional arrangements, other than a universally binding legal instrument.

Mr. Chairman,

We commend the Special Rapporteur Mr. Ian Brownlie for producing the entire set of fourteen Draft Articles on the topic of "Effects of Armed Conflicts on Treaties". The basic policy underlying the draft articles is to promote and enhance the security and stability of the legal relationship between States by minimizing occasions in which the incidence of armed conflicts had an effect on treaty relations. We agree with this approach, yet, we are conscious of the fact that this topic presents several difficulties as the nature of the subject is dominated by doctrines and supported with sparse practice. Studying State practice on this topic cutting across different legal systems, therefore, becomes inevitable to evolve any acceptable standards in this subject.

Mr. Chairman,

The definition of "Armed Conflict" attempted by the Rapporteur in Article 2 (b) had generated more discussions in the Commission. Questions were raised regarding the value of definition as the multilateral treaties, which contained a reference to "Armed Conflicts", did not define it. This requires a careful examination.

Another controversial provision is Draft Article 7, which contains an indicative list of treaties the object and purpose of which imply that they

continue in operation during an armed conflict. This list is not supported by State practice. The discussions in the Commission on the indicative list suggest that it would be difficult to reach a reasonable consensus on this list. In our view an indicative list is not necessary. This topic is still at a formative stage. More research and analysis is required to understand the relevance, nuances, and import of the topic. We have taken note of the Commission's invitation to Governments for comments and observations in relation to this topic. We shall certainly make use of this opportunity to offer our detailed comments on the entirety of the Draft Articles.

Thank you Mr.Chairman.



742. Statement by Prof. K. M. Kader Mohindeen, Member of Parliament and Member of the Indian Delegation on Agenda Item 30: United Nations Relief and Works Agency for Palestine Refugees in the Near East at the Fourth Committee of the 60th session of the UN General Assembly.

New York, November 2, 2005.

Mr Chairman,

At the outset, I should like to express my delegation's sincere appreciation to Ms Karen AbuZayd, Commissioner General of the United Nations Relief and Works Agency (UNRWA) for Palestinian Refugees in the Near East for presenting an insightful and comprehensive report on the work by the Agency during the period 1 July 2004 - 30 June 2005, as contained in document A/60/13. My delegation would also like to take this opportunity to commend the commitment and outstanding work of the staff members of the Agency in the service of the Palestinian refugees who have now increased to over 4 million in Jordan, Lebanon and the Syrian Arab Republic, the West Bank and the Gaza Strip.

Mr Chairman,

India is deeply concerned at the on-going conflict in the Middle East.

The violence that has beset the region since September 2000 has claimed several thousand Palestinian and Israeli lives, besides the physical or psychological scars not visible in conflicts that involve civilians as much as combatants. India has joined the international community in voicing its concern over the endless cycle of violence and counter-violence that has characterised the current phase of this conflict. India has maintained consistently that violence was a serious impediment to the peace process, and that the solution did not lie in more violence but in pursuing the path of political dialogue.

The economies of both Israel and the Palestinian Authority have suffered immeasurably as a result of the on-going conflict. Some of the grim details are contained in Paragraph 9 of document A/60/13. Palestine has been particularly hard hit. It continues to reel under what the World Bank has described as "one of the worst recessions in modern history". The widespread increase in poverty and unemployment, coupled with the decreasing revenues of the Palestinian Authority, has brought the economy to the verge of collapse.

The deteriorating humanitarian situation in the Occupied Territory has been further aggravated by the construction of the separation wall by Israel in the Territory, including in and around East Jerusalem. This remains a source of deep concern to the international community. As we have stated in the past, no one could have objections to the construction of the wall in areas coinciding with the green line. Its encroachment on Palestinian land and interests create great hardships for the people affected by its construction and exacerbates the situation. Besides, continued construction of the wall on Palestinian land threatens to prejudge the eventual outcome of the final status negotiations between the parties.

Mr Chairman,

The services provided by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) constitute a critical element in the context of the continuing spiral of violence in the Middle East. Since its inception over half-a-century ago, the Agency has played a key role in addressing the multifaceted tasks and humanitarian needs of the Palestinian refugees, and is today a symbol of the international community's commitment to the well being of the Palestinian refugees until a just and durable settlement of the refugees problem is achieved. As the

largest UN programme in the Middle East, the Agency is a key instrument in providing education, health, relief and social services and other vital programmes to the most vulnerable segments of the Palestinian population, not only in the West Bank and the Gaza Strip, but also in Jordan, Lebanon and Syria.

India has called for an easing of the restrictions placed on the Palestinian areas and an immediate amelioration of the on-going humanitarian crisis there. We have, in the past, manifested our support to the Palestinian people in their quest for nationhood through regular assistance and supply of medicines to the Palestinian Authority. We have also been a regular, albeit modest, contributor to the UNRWA budget and in 2004 have doubled our contribution to the Agency's regular budget.

An area of continuing concern is the restriction in freedom of movement of UNRWA staff members. Regrettably, the environment in which the Agency carries out its operations continues to hamper its ability to deliver services. Of equal concern is that these restrictions have had a serious impact on the ability of UNRWA to move staff and humanitarian assistance to those in urgent need. Closures and blockades need to be lifted and unhindered access allowed to humanitarian supplies. We salute the staff members of UNRWA for their untiring efforts to assist Palestinian refugees under difficult and often dangerous circumstances.

Mr Chairman,

UNRWA is the primary source of humanitarian relief assistance to Palestinian refugees. We believe that the Agency's activities constitute an important component in the struggle for the realisation of peace in the Middle East, and its continued operations in the region are crucial to address the mounting humanitarian crisis among the Palestinians. Under the circumstances, it is imperative that the international community remains firmly committed in carrying out its shared responsibility to assist and provide the vital support required by UNRWA to continue to effectively fulfil its mandate.

Mr. Chairman,

At this juncture, it is critical for the international community, in particular the Middle East Quartet to work closely with the parties with a view to encouraging them to fulfil their commitments and obligations. It must

also be ensured that vested interests on both sides are not allowed to derail the process. India is confident that a just and comprehensive solution to the conflict is attainable and we call upon all sides to work together to achieve the vision of two States living side by side in secure and recognised borders, based on Security Council resolutions 242, 338, 1397 and 1515.

Thank you, Mr Chairman.



743. Statement by Jaya Bachchan, Member of Parliament and Member of the Indian Delegation on Agenda Item 71: Human Rights Questions :

(B) Human Rights Questions, Including Alternative Approaches for Improving the Effective Enjoyment of Human Rights and Fundamental Freedoms.

(C) Human Rights Questions : Human Rights Situations and Reports of Special Rapporteurs and Representatives, and (E) : Report of the United Nations High Commissioner for Human Rights at the Third Committee of the 60th session of the UN General Assembly.

New York, November 2, 2005.

Mr. Chairman,

At the outset, I would like to thank the Secretary-General for his reports, and the Special Rapporteurs for their presentations under the agenda items. I would also like to compliment the UN High Commissioner for Human Rights for her thoughtful statement before the Third Committee.

Mr. Chairman,

The direct relationship between development and enjoyment of human rights is undeniable, just as is the linkage between freedom and human rights. As a signatory of both the principal Covenants on Human

Rights, and of practically all other major human rights instruments, India has consistently promoted civil and political rights on the one hand, and economic, social and cultural rights on the other. We welcome the efforts of the UN High Commissioner for Human Rights to include in her activities work on a rights-based approach to development, and on justiciability of economic, social and cultural rights.

Without a favourable and conducive international economic and financial environment and the fulfillment of international obligations to promote the rights of people everywhere, universal adherence to human rights standards will remain an elusive goal. The strengthening of national capacity building should be at the centre of international efforts directed at the promotion of human rights. Where national human and institutional capacities do not exist, these should be built.

India believes that an approach based on dialogue, consultation and cooperation, is desirable for securing a genuine improvement in the enjoyment of human rights by members of a society. It has not favoured intrusive monitoring and finger pointing while dealing with specific human rights situations in various countries. Moreover, it believes that a distinction must always be made between a country that is responsive and has functioning democratic institutions, and one that is inherently repressive and is unable, or unwilling, to improve human rights standards.

Mr. Chairman,

Rule of law and democracy are essential ingredients for promoting and protecting human rights in any society. Democracy, development and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing values, which provide the foundation for a genuinely holistic conception of human rights.

The democratic way of life is today a deeply-rooted article of faith for over a billion Indians. In India, people freely elect governments, ranging from right-wing to centrist to communist, in political orientation. Our experience demonstrates that a democratic, pluralistic society with a secular polity, an autonomous and impartial judiciary, a vibrant civil society, a free media, and independent human rights institutions, help secure effective guarantees for the protection and promotion of human rights in a country. The enactment by the Indian Parliament in August 2005 of a Rural

Employment Guarantee programme providing for 100 days of assured employment annually to every rural household, is a step in the direction of giving justiciability to economic and social rights, including the right to work. The Right to Information Act [2005], which came into force on 12 October 2005, opens the Indian government to public scrutiny. It aims to promote openness, transparency and accountability in governance and empowers every Indian citizen by giving them the fundamental right to seek information from a government department.

The role of national human rights institutions in promoting and protecting human rights is also of great significance. Their independence and autonomy, with genuine powers of investigation, is essential. We support the efforts of the Office of the High Commissioner in the development and strengthening of national human rights institutions around the world.

The proposals for greater country engagement by the Office of the UN High Commissioner for Human Rights should focus on national capacity building via provision of technical assistance and advisory services. It should not give an impression of intrusiveness to the country concerned. There should also not be an unchecked proliferation, overlapping, and duplication of mandates of a range of special procedures. This deserves our collective attention on a priority basis. In this connection, we welcome early action on treaty-body reform initiated by the UN High Commissioner.

Mr. Chairman,

Terrorism has emerged as one of the main threats to the full enjoyment of human rights. Terrorists violate the most fundamental human right of their victims - the right to life. By instilling fear and using tactics of intimidation, terrorists also infringe several other rights of innocent citizens. The Prime Minister of India, Dr. Manmohan Singh, has stated, "One of the gravest challenges to democracy and human rights is the scourge of terrorism. It reminds us that there are challenges which all of us face, and which all of us must face together. Terrorism is an attack on democracy and human dignity and human rights. Those who use terrorism as a political instrument challenge the most fundamental and precious values of democracy".

The notion that human rights can be violated only by States is not only erroneous, but misleading and dangerous. Ensuring the security of its

people is the first responsibility of a Government. Yet, States must also be very mindful of their responsibility to protect human rights. The challenge lies in striking the right balance between the imperatives of effectively tackling terrorism on the one hand, and fully observing international law and human rights standards, on the other.

Mr. Chairman,

We welcome the ongoing discussions for setting up a Human Rights Council to replace the Commission on Human Rights. In this endeavour we should not lose sight of the principle of universality. As the new Council would become the fulcrum of the UN human rights machinery, we need to pay close attention to its evolution. The new Council should be non-selective and non-discriminatory, to avoid the shortcomings of the CHR. As envisioned in the 2005 World Summit Outcome Document, the task of setting it up should be completed during the current UNGA session.

Mr. Chairman,

While concluding, I would like to reiterate India's firm commitment to the promotion and protection of human rights. As the world's largest democracy, we consider it an honour to uphold and cherish the human rights and fundamental freedoms of every citizen.

Thank you, Mr. Chairman.



744. Statement by Sitaram Yechury, Member of Parliament and Member of the Indian Delegation on Agenda Item 31: Report of the Special Committee to Investigate Israeli practices affecting Human Rights of the Palestinian People and other Arabs in the Occupied Territories at the Fourth Committee of the 60th UNGA.

New York, November 7, 2005.

Mr Chairman,

The Indian delegation appreciates the opportunity to contribute to the discussions under Agenda Item 31: Special Committee to Investigate Israeli Practices Affecting Human Rights of the Palestinian People and other Arabs in the occupied territories."

India has welcomed the implementation of the disengagement by Israel from the Gaza Strip and parts of the West Bank, as a positive development. We deem the withdrawal as a significant first step that, we hope, will culminate in a mutually acceptable, negotiated settlement in accordance with the Roadmap and relevant UN Security Council resolutions. We trust that this opening will be used by all sides to take forward the negotiations that will lead, within a reasonable time frame, to the creation of a truly sovereign, independent and viable Palestinian State within well-defined and secure borders, living side-by-side and at peace with Israel.

Despite this glimmer of hope for cooperation between the parties in the aftermath of the withdrawal, the situation in the region remains fragile. Just last week, another terrorist attack in Israel has claimed innocent lives. India unequivocally condemns all acts of terrorism, as well as any provocation and incitement to violence in the strongest terms. We are equally critical of improper and harsh retaliatory measures. We believe that it is essential to put an end to this cycle of violence that does not augur well for forward movement on the peace process. We hope that all parties concerned will exercise the utmost restraint, abjure violence, and return to the negotiating table to enable progress to be made for a peaceful resolution of the remaining issues of the Roadmap.

Mr Chairman,

The focus of the Report of the Special Committee, as contained in

document A/60/380, is on the human rights of the Palestinian people. Human rights are universal and indivisible in nature and we have strongly espoused the philosophy of "all human rights for all people".

In the judgment of the members of the Special Committee, however, the construction of the separation wall has violated "every single human right of the Palestinians". This is a matter of deep concern. As we have stated in the past, no one could have objections to the construction of the wall in areas coinciding with the green line. However, its encroachment on Palestinian land and interests create great hardship for the people affected by its construction and exacerbates the situation. Besides, continued construction of the wall on Palestinian land, threatens to prejudice the eventual outcome of the final status negotiations between the parties.

We recall, in this connection, the Advisory Opinion of the International Court of Justice, on the legal consequences of the construction by Israel of the wall in the occupied Palestinian territory. The Court had opined that the wall is contrary to international law and should be dismantled. We have, in the past, called on Israel to take full account of the Advisory Opinion, in keeping with the overwhelming international opinion in the matter, with a view to its early implementation. We would once again renew this appeal to Israel to take note, in particular, of the recommendations contained in General Assembly resolution ES-10/15 of 2 August 2004, which is based on the Advisory Opinion of the International Court of Justice.

Of equal concern, are the restrictions on the freedom of movement by Palestinians. These restrictions have led to a loss of access by the Palestinian population to employment and income as well as access to essential goods and services. These have also seriously hampered the capability of all humanitarian operators, including UNRWA and other UN Agencies, to provide essential services. Reports about limitations to the freedom of movement of UNRWA staff are of particular concern. Full and secure access for diplomatic and humanitarian personnel and to goods and services, as required by the principles and practices of international humanitarian law as well as by the Roadmap, must be ensured.

Mr Chairman,

India is deeply concerned by the continuing humanitarian crisis in the occupied Palestinian territories. We call on Israel to show restraint and

take no action that would aggravate the humanitarian and economic plight of the Palestinian people. It should take measures without delay, in accordance with the obligations of the Roadmap, to improve the security and humanitarian and economic conditions of the Palestinian people. Within this context, the services provided by UNRWA play an indispensable role. Its critical work demonstrates in a tangible way, the concern and sympathy of the international community for the plight of the Palestinian refugees who have been severely disadvantaged and deprived of justice, human rights and fundamental freedoms. India has been a regular contributor to UNRWA's regular budget so as to enable it to continue to effectively fulfill its mandate and has doubled this contribution in 2004.

Bilaterally, India's support for the Palestinian cause is strong and unwavering. The National Common Minimum Programme of the United Progressive Alliance government has reiterated India's decades-old commitment to the cause of the Palestinian people for a homeland of their own. India has previously extended material and technical assistance to the people of Palestine to help them consolidate their progress towards self-government and nation building. Major telecom software projects have been undertaken by Indian companies. Pharmaceutical projects are also being signed up for implementation. India has pledged US\$3 million as donor assistance to the PNA, out of which over US\$2 million has been disbursed. Projects have been completed in the field of higher education and training slots have been offered. A grant to the Palestinian Authority of US\$15 million was announced during the visit to India from 19-20 May 2005, by its President, H.E. Mr. Mahmoud Abbas.

Mr Chairman,

India reaffirms its commitment to a negotiated two-State solution agreed between the parties that would result in a viable, contiguous, sovereign and independent Palestinian State existing side-by-side with Israel in peace and security. India unequivocally reaffirms that the Roadmap, as endorsed by Security Council resolution 1515, is the fundamental framework for a resolution of the Israeli-Palestinian conflict and calls upon all sides to take steps to fulfill their Roadmap obligations and commitment. India sincerely hope that positive developments will soon emerge, leading without delay to a fair, stable and equitable solution to the conflict based on relevant UN resolutions, including Security Council resolutions.

Departing from the text, Mr. Chairman, I would like to quote the South African writer J M Coetzee who in "Waiting for the Barbarians": says "The new men of Empire are the ones who believe in fresh starts, new chapters, new pages; we struggle on with the old story". It is worth remembering again that men make their own history but not under circumstances chosen by them. They move from interpreting or arguing about the world and their conditions of life to changing these.

Thank you, Mr. Chairman.



745. Statement by Mrs. Jaya Bachchan, Member of Parliament and Member of the Indian Delegation on Agenda Item 69: Elimination of Racism and Racial Discrimination and Agenda Item 70: Right of Peoples to Self-Determination at the Third Committee of the 60th session of the UN General Assembly.

New York, November 8, 2005.

Mr. Chairman,

I have the honour to speak on Agenda Items 69 and 70 on 'Elimination of racism and racial discrimination' and 'Right of peoples to self-determination'. My delegation associates itself with the statement made by the distinguished representative of Jamaica in his capacity as the Chairman of the Group of 77 under the Agenda Item 69.

The era of colonialism and imperialism is now well behind us. Yet, it is unfortunate that even today attitudes, habits and thought processes foment racial hatred and segregation. The Secretary-General in his Report to the 60th Session of the General Assembly concluded that new forms of racism are receiving increasing attention. The Special Rapporteur on the fight against racism, racial discrimination, xenophobia and related intolerance has emphasized the resurgence of racism, discrimination and xenophobia against national, ethnic, cultural and religious minorities, immigrant populations, asylum-seekers and refugees. He has called on the international community to address these issues.

It is time to renew the commitments made at the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance held in Durban in September 2001. The Durban Declaration and Programme of Action made practical recommendations to address the intolerance of ideas, faiths, colour and creed, and to move towards dignity and equality for all. We thank the Secretary-General for his report on the global efforts for total elimination of racism, racial discrimination, xenophobia, which contains useful information on the activities of the UN bodies and other stakeholders at all levels.

The battle against racism has to be fought within societies in each nation so as to change thought-processes and attitudes. To this effect, action by States for the promulgation of stringent national laws, their strict implementation, and the setting up of independent national institutions with powers to address manifestations of racism, needs heightened attention.

India's commitment to the elimination of racism is historic and well recognised. The contribution of our great leaders such as Mahatma Gandhi to the fight against racism is significant and memorable. It is, therefore, natural that at independence, adequate safeguards were built into the Indian constitution and the Indian Penal Code against dissemination of ideas that promote disharmony in the country. The Constitution of India, in Article 15, expressly prohibits discrimination on the grounds of race and this constitutional guarantee is vigorously implemented. The instruments of governance in India buttressed by the energetic and committed non-governmental sector provide necessary support for eliminating all forms of discrimination.

Mr. Chairman,

India has played a leading role in the struggle for decolonisation, and was at the forefront of the movement to secure the right of peoples to self-determination so that those under alien subjugation, domination and exploitation could freely determine their own political status and pursue their economic, social and cultural development. Self-determination has long been recognised as the right of peoples of non-self governing colonies and trust territories to independence and self-government.

Today, Palestine remains the unfinished task in the realisation of the right of peoples to self-determination. India has maintained unwavering support and solidarity for the people of Palestine to attain their inalienable

rights, including the right to self-determination. My delegation has reiterated its full support for the Peace Process and the Quartet Roadmap, which would realise the dream of the peoples of Palestine and Israel to live in peace, side by side, within recognised and secure borders, thus realising the right to self-determination of the Palestinian people.

Attempts continue to be made at the United Nations and elsewhere to reinvent some of the basic principles of the Charter, such as self-determination, and to apply them selectively for narrow political ends. Those who do so, would do well to realise that such an reinterpretation may sweep their own countries into its vortex.

Mr. Chairman

With freedom, comes responsibility. No right, including the right to self-determination, may be used as an instrument to promote subversion and erode the political cohesion or territorial integrity of Member States of the UN. The right to self-determination cannot be abused to encourage secession and undermine pluralistic and democratic states. Moreover, there is no room for self-determination to be distorted and misinterpreted as a right of a group, on the basis of ethnicity, religion or racial criteria, or any other such categorization, and use it to attempt to undermine the sovereignty and territorial integrity of state. Ethnic or religious segregation and chauvinism cannot be legitimised on the ground that societies need to be constituted on homogenous lines before they can be tolerant towards diversity and accept multi-culturalism. Such a view will only aid forces of extreme nationalism and narrow chauvinism.

In this context, we have noted the unacceptable efforts to agitate Kashmir before this Committee. It would suffice to say that the State of Jammu & Kashmir is an integral part of the Union of India. Regular elections have repeatedly been held in Jammu & Kashmir fully meeting the aspirations of its people. This is hardly the case in the instance of the country that has mentioned Kashmir in its statement earlier today, which pretends to be a protector of human rights while denying such rights to the people of Kashmir in the lands occupied by it. Nevertheless, on our part, we look forward to moving forward the composite bilateral dialogue between us.

Thank you, Mr. Chairman.



746. Introduction of the Biennial Resolution on "National Institutions for the Promotion and Protection of Human Rights" by Mitrasen Yadav Member of Parliament and Member of the Indian Delegation at the Third Committee of the 60th session of the UN General Assembly.

New York, November 8, 2005.

Mr. Chairman,

I am privileged to introduce on behalf of the co-sponsors the draft resolution contained in document A/C.3/60/L.33 entitled "National Institutions for the promotion and protection of human rights" under agenda item 71(b). Apart from the co-sponsors listed in the document, I have the pleasure in informing the Committee that the following member States have joined as co-sponsors:

1. Germany
2. Guyana
3. Republic of Korea
4. Republic of Moldova
5. Romania
6. Senegal
7. Sri Lanka

Mr. Chairman,

National institutions for the promotion and protection of human rights have emerged over the years as an important and effective instrument to promote and protect human rights in an increasing number of countries across the world. The 48th General Assembly, convinced of the significant role that national institutions play in the promotion and protection of human rights, welcomed the Principles relating to the Status of National Institutions known as the 'Paris Principles'. Plurality, independence, freedom of operation and a broad-based mandate and powers to effectively protect and promote human rights are envisaged in the principles.

The draft resolution being presented today is a biennial one. It welcomes the rapidly growing interest throughout the world in the creation

and strengthening of independent, pluralistic national institutions for the promotion and protection of human rights. It recognises that the United Nations has an important role to play in assisting the development of national institutions. It also recognises that its activities and programmes should be reinforced to meet the requests for assistance from States. The draft resolution notes the valuable role of national institutions and the importance of their continued participation in UN meetings dealing with human rights. It also commends the role of the Office of the High Commissioner for Human Rights in according high priority for the work on national human rights institutions.

The continued importance of the development of effective, independent and pluralistic national institutions for the promotion and protection of human rights is reaffirmed. The value of further strengthening their application, where appropriate, is also recognized in the draft resolution.

Mr. Chairman,

We would like to thank all the co-sponsors and interested delegations for their support and contributions in the drafting of this resolution. It is the hope of the co-sponsors that this Committee will adopt the draft resolution without a vote as in the past.

Thank you, Mr. Chairman.



747. Statement by Sitaram Yechury Member of Parliament and Member of the Indian Delegation on Agenda Item 18: Necessity of Ending the Economic, Commercial and Financial Embargo Imposed by the United States of America Against Cuba at the 60th session of the UN General Assembly.

New York, November 8, 2005.

Mr. President,

We align ourselves with the statement made by Jamaica on behalf of the Group of 77. The four decade old economic, commercial and financial embargo imposed by the United States against Cuba is the subject of discussion now for the fourteenth time in succession in this august forum. The embargo dates from October 20, 1960 when then President Eisenhower announced an embargo against Cuba under the Trading with the Enemy Act and the Export Control Act. The embargo has been reinforced by the Cuba Democracy Act of 1992 and the Helms-Burton Act of 1996 through which the extra-territorial reach of the embargo encompasses foreign companies as well as foreign subsidiaries of US companies doing business with Cuba.

The embargo means the imposition of economic sanctions. These do not appear to stand the test of international law. Jurisdiction outside national boundaries has to be based on acts that have "substantial or grave effects within the territory" of the State exercising such jurisdiction. "Trafficking" in nationalized property cannot be said to have a substantial effect on the United States or its economy and, therefore, the extra-territorial jurisdiction cannot be justified by the doctrine of grave effects. Similarly, the embargo's limitations on the export and import of goods contravenes multilateral trading regimes and cannot be grounded on the GATT exception clause of "essential security interests" since there is neither a state of war nor a military threat.

Sanctions, irrespective of their purpose, have to comply with the customary international law principle of non-intervention and proportionality. The American Association for World Health concluded that, in the case of the impact on the Cuban health system, the embargo "caused a significant rise in suffering with patients going without essential drugs or doctors

performing medical procedures without adequate equipment." The embargo also continued to have an impact on food aid deliveries. The impact was greater in the eastern provinces, which continued to suffer the worst food insecurity, particularly in view of the 2004 drought. The negative impact of the embargo in the educational sector is linked to trade restrictions that prevent the purchase of needed inputs at more competitive prices. The difficulties imposed by the embargo have been recognized by UNCTAD especially the deleterious impact on international trade, investment flow, loans, and interest payments as well as scientific and technical co-operation.

Although the US market represents the closest, most convenient and diversified trade area and, in a normal situation, Cuba and the United States would be natural economic partners, obtaining mutual benefits from trade, the experience has been exactly the opposite. According to one estimate, the direct economic loss caused to the Cuban people on account of the blockade is greater than 82 billion dollars though these estimates exclude indirect economic losses. It is our understanding that a considerable part of the US private sector would like the embargo ended to take advantage of the Cuban market; according to some estimates, the potential loss to US business ranges between dollars one billion to fifteen billion and potential employment losses are in the range of hundred thousands.

While we take note of a step in the right direction, namely the 1999-2000 compromise in Congress which allowed the export of food and medicine, though excluding government or private finance and paradoxically strengthening the travel ban, we look forward to the lifting of embargoes and sanctions against Cuba.

Embargoes impede the full achievement of economic and social development by the population of the affected country, in particular children and women. They also hinder the full enjoyment of human rights, including the right to food, medical care and social services, among other things. We believe that not only is the creation and strengthening of an economic environment capable of providing equal opportunities to all countries required but the international community also needs to re-double its efforts to promote an environment free from sanctions and embargoes.

India is opposed to unilateral measures by countries that impinge on the sovereignty of another country, including attempts to extend the application of a country's laws extraterritorially to other sovereign nations.

India recalls the Final Documents adopted by the Thirteenth Summit Conference of Heads of State or Government of the Movement of the Non-Aligned countries held in Kuala Lumpur, Malaysia, in February 2003 and the call at the Doha Summit of G-77 countries in June 2005 on the subject and urges the international community to adopt all necessary measures to protect the sovereign rights of all countries.

Thank you Mr. President



748. Statement by Ratilal Kalidas Varma Member of Parliament and Member of Indian Delegation on Agenda Item 57: Operational Activities for Development of the United Nations : (A) Operational Activities for Development of the United Nations System ; (B) South-South Cooperation: Economic and Technical Cooperation among Developing Countries At the Second Committee of the 60th session of the UN General Assembly.

New York, November 9, 2005.

Mr. Chairman,

My delegation welcomes this opportunity to participate in the discussions on the operational activities for development of the United Nations system and South-South Cooperation. We thank the Secretary-General for the comprehensive documentation prepared under the agenda item. We associate ourselves with the statement made by the distinguished representative of Jamaica on behalf of the Group of 77.

Mr. Chairman,

The General Assembly has recognized that the strength of the United Nations operational system lies in its legitimacy, at the country level, as a neutral, objective and trusted partner for both recipient and donor countries. The 2004 Triennial Comprehensive Policy Review of Operational Activities for Development of the UN System emphasised the importance of national

ownership, national strategies and priorities, the need for focus on long-term development challenges, enhancement of national capacity to pursue poverty eradication, sustained economic growth and sustainable development. Efforts by all organizations of the UN system are required to ensure that country-level operations are carried out for the benefit of the recipient countries, at their request, and in accordance with their own development policies and priorities. The General Assembly has also reiterated that the United Nations organizations should use, to the fullest extent possible, national execution and available national expertise and technologies in implementing their operational activities. All organizations of the UN development system have been encouraged to include reporting on their capacity building activities in the annual reports to their respective governing bodies.

The Outcome Document of the 2005 World Summit also dwelt on systemwide coherence and on operational activities. We hope that the implementation process would be within the framework of the guidance provided by the 2004 review and in consultation with Member States.

The 2004 review emphasized the responsibility of the national Government to coordinate all types of external assistance and effectively integrate such assistance into their development process. We have consistently held that coordination of external assistance should be undertaken only by the recipient government. The exercise of coordination by the UN should be confined to assistance through the UN system. Field-level coordination should be carried out by national authorities. This would ensure that the organizations of the UN system are contributing in a coherent manner to national development plans and priorities.

Mr. Chairman,

The General Assembly in its 2004 review emphasized that core resources, due to their untied nature, continue to be the bedrock of operational activities and called for substantial increases in the core/regular resources of the UN development system. The resolution also urged developed countries that have not yet done so to make concrete efforts to reach the Official Development Assistance target of 0.7% of GNP. The Outcome Document of the 2005 World Summit, while welcoming the increased resources that will become available as a result of the establishment of timetables by many developed countries to achieve the

target of 0.7% of GNP for ODA by 2015, calls for attaining at least 0.5% of GNP for ODA by 2010.

The predictability, long-term stability, reliability and adequacy of funding are undoubtedly the primary requirements for enhancing the capacity of the UN system's operational activities for development. The report of the Secretary-General indicates that despite the different "core" funding modalities adopted by the funds and programmes, specialised agencies and other UN entities, all of them face the same challenge, viz., that of securing a steadily growing flow of resources for their core budgets. Despite some positive trends, funds and programmes continue to experience an increase in disparity between core and non-core resources. Lack of sufficient core resources for both administration and programme development is cited as the single most important constraint on the performance of development entities.

The Secretary-General's report on funding identifies some of the adverse consequences of short-term solutions, like the expansion of supplementary funding. The competition created by dependence on supplementary funding, if excessive, would restrict the space for a strategic approach, while introducing the risk of distortion in priorities and result in introducing conditionalities in the long term. The report identifies the Multi-year Funding Framework as having the potential to increase core funding, or at least the predictability of core resources. Even as we look at non-traditional modalities for funding operational activities, there should be no compromise on the basic attributes such as multilateralism, neutrality, flexibility, universality, voluntary and grant nature of such funding. Care would be necessary to ensure that non-traditional modalities of funding do not introduce new conditionalities.

Mr. Chairman,

Countries of the South can benefit tremendously from exchanges of their individual development experiences and best practices. Contributions of the developed countries through technological know-how and resources for replication of successful experiences or experiments from one developing country to another or triangular cooperation can add a positive dimension to South-South Cooperation. The 2005 World Summit Outcome Document also recognized the achievements and the potential of South-South

Cooperation as an effective contribution to development and as a means to share best practices and provide enhanced technical cooperation.

Mr. Chairman,

India is strongly committed to South-South Cooperation and is amongst the pivotal countries implementing such Cooperation. The Indian Technical and Economic Cooperation (ITEC), which was launched in 1964, has provided over US \$ 2.5 billion worth of technical assistance to other developing countries, covering 156 countries. India is also engaged in training representatives of developing countries and in setting up varied projects in developing countries. The IBSA initiative, launched together with Brazil and South Africa, is a manifestation of our commitment to South-South Cooperation.

As part of its commitment to South-South Cooperation, India is cooperating with NEPAD and in the Techno-Economic Approach for Africa-India Movement (TEAM-9) initiative involving concessional credit and technology transfer to West Africa. India has also started work on a connectivity mission in Africa, which will support tele-education, tele-medicine, e-commerce, e-governance, infotainment, resource mapping and meteorological services to be in position within the next three years. The Pan-African Network Project envisages a satellite and fibre-optic network that will connect the 53 countries of the African Union has been formally endorsed by the African Union. Three MoUs have been signed with the African Union on 27 October 2005, putting in place the legal and institutional framework for this landmark US \$50 million project, which revolutionize communication and accelerate development throughout Africa.

Countries in the South need skills and expertise in high technology areas and for expanding mechanisms for transferring experiences in areas of strength, particularly development of human resources. In the past two decades scientific and technical competence has grown substantially in countries of the South to create significant complementarities between them. What is required is the will and the investments to put these complementarities to productive use.

Mr. Chairman

It is important to strengthen the operational arm of the UN by

providing it with stable, reliable, untied and adequate flow of resources to better equip the UN system for the role that Member States expect of it. It is also important that in our efforts to achieve the MDGs, we enhance the overall prosperity and well-being in the South through the creation and strengthening of capacity within the South.

Thank you, Mr. Chairman.



749. Statement by Ambassador Nirupam Sen, Permanent Representative at the UN on Agenda Item 9: Report of the Security Council and 117 : "Question of Equitable Representation on and Increase in the Membership of the Security Council and Related Matters" at the Plenary of the 60th UN General Assembly.

New York, November 11, 2005.

Mr. President,

I would like to begin by conveying our deepest condolences to Jordan on the tragic loss of life: the 'heartbreak and a thousand natural shocks' seem to be crossing all limits in our time. We shall continue our stern and joint struggle against terrorism.

I have no wish to replay old debates and repeat and rehash old arguments. Raymond Mikesell who worked in the US Treasury Department in the 1940s has revealed in his "The Bretton Woods Debates: A Memoir" that he was instructed to arrive at pre-determined quotas and therefore adjusted statistics and experimented with weights to ensure the economic dominance of the Big Four in the IMF through the greatest voting power and permanent seats. Many delegations challenged his calculations except the Canadian who later became Head of the Canadian Central Bank and who found the mathematics impeccable. Mikesell adds that the creation of the UN and this economic planning were part of one plan - the UN would similarly be dominated by the Four war time allies. (France was added later after overcoming the antipathy to De Gaulle). The 1945 political and economic order were the result of these twin acts of gerrymandering.

Therefore the concentration of political and economic power were of a piece. Both have to be profoundly transformed. Nobody wishes to gloss over the significance for mankind of this victory (though it would do no harm to remember occasionally the contribution of soldiers from the colonies). But for the post-Yalta, post-Potsdam world Mahatama Gandhi's non-violent, anti-colonial struggle of hundreds of millions of people has equal significance ranging from the anti-colonial and anti-apartheid struggles in Africa through Martin Luther King and the civil rights movement in the United States to Lech Walesa and the ten million strong Solidarity movement in Poland.

This struggle cannot be regarded as complete till the defeated and the colonized of that time take their place as equal members in the decision making councils of the UN, including and above all as permanent members of the UNSC. The most powerful permanent member talks of criteria for membership. Another, in contradistinction to its own revolutionary legacy, expounds the virtues of gradualism, the classic liberal position. This is the old colonial argument - you are not yet ready for independence; you cannot enter this cricket club or that hospital because you are not part of the ruling elite. The irony is that most of the aspirants to permanent membership satisfy these criteria far more than some of the permanent members. The most powerful permanent member opposes the "return to any of the three proposals introduced in the 59th GA", saying it would be a "mistake to return to that discussion" and assessing that "we bit off more than we could chew". This is normal: unless our reach exceeds our grasp, how do we reform anything? In any case, we object to being either bitten or chewed. Our objection is the old democratic objection to one country being chewed by another. Our objection is out of a regard for the discomfort of the country being chewed. We are confident that as decided at the AU Summit in Addis Ababa and reiterated by South Africa, the AU countries would not be deterred from introducing their resolution.

A leading light of the Uniting for Consensus (UFC) says that "we note that against the two empowered seats sought by Africa, representation on the Council could be from two or, through rotation by a larger number of African States". This is to know the African mind better than the Africans. Africa is discovered afresh by the UFC. The Ezulwini consensus and the Addis Ababa decision mean what the UFC decides that they should mean. This is what Edward Said, a great Palestinian and one of the greatest men of our time called Orientalism. Practiced by a representative of the Orient it

becomes a caricature of the original.

In the US drafts for an international organization in the 1940s, the future UN Security Council was called an Executive Committee, the General Assembly being a legislature. When the Executive usurps legislative and judicial functions, we are on the road to dictatorship. The UNSC, as is clear from the Charter, was set up to keep the peace, not to change the world order, as an ICJ judge said in the Namibia case. A member was therefore a firefighter, not an arsonist, judge or legislator. In fact, in the last decade and a half, if not more, the UNSC has been setting up tribunals, delimiting boundaries, imposing reparations, passing laws. The UN Charter is a constitution but the UNSC is able to flout it with impunity, without any check from the legislature, namely the GA and without any judicial review. It is true that the ICJ under Article 41 of its Statute is not bound by Litispendence as demonstrated in the US hostages in Iran and the Aegean Continental Shelf cases. It does have the power of judicial review as shown in the Namibia and Lockerbie cases but this can be exercised only in a few contentious proceedings or through the very few advisory opinions that are sought. Above all, it has no means of enforcing its judgement on the UN Security Council. Also, there is no legal way of deciding that, let us say if an action flouts jus cogens [as was the ICTY decision in the Genocide case regarding Resolution 713 (1991)] or as a sanctions regime might do, reparations would have to be paid since those who implement the regime would claim to be acting under Article 25. An individual State under sanctions cannot resist an illegal action because it would face more sanctions. That is why it is recognized that these problems can only be tackled through a reform of the composition, specially of the permanent membership and the working methods of the UN Security Council.

Some delegations who spoke yesterday attempted to say that the G-4 as a group is obsessed only with enlargement. A glance at the G-4 Resolution would show its practical and comprehensive nature and the attention paid to working methods in detail with the clear understanding that only new permanent members committed to these methods can ensure their adoption and be held accountable through a review. Our obsession therefore turns out to be at least a comprehensive obsession. A delegation yesterday said that working methods are "taken hostage if tackled simultaneously and jointly with enlargement". The truth is (and we are seeing it now) that they are taken hostage by the UN Security Council if they are

not accompanied by enlargement. He added that reform efforts had privileged enlargement. It was with good reason. The prime mover of the resolution on working methods said that the General Assembly will "invite the Security Council to consider a series of measures". We would be rather sad if this invitation were to be turned down. In fact, it has been turned down even before it was formally extended. The most powerful member of the UNSC has clearly stated that "the Security Council will determine its own working methods and procedures". The prime mover of the resolution on working methods also states that "it is upto the Security Council to decide on actions it wants to take" including I suppose taking no action, which is also a kind of action. But the most difficult to accept is the statement that working methods require no modifications of the Charter. In the absence of these, there would be no new working methods. If therefore they do not accept enlargement at present, the movers of the resolution should move uninterruptedly to a Charter amendment, for instance on the non-use of veto in certain cases. A major country to the north of here was eloquent this morning on the non-use of veto in situations that call for Responsibility to Protect on which this country had taken a leading role. However, during the negotiations on the subject for the Outcome Document, these eloquent words had mainly taken the shape of an eloquent silence. When we had advocated including a formulation on the non-use of veto in these situations in the Outcome Document, I did not see its flag go up in support. That these new working methods cannot be adopted without either an enlargement of the permanent membership or a Charter amendment on working methods is shown also by one of the delegations moving this resolution who stated that this year's Report of the UN Security Council is a wasted opportunity and the Report has "reverted to the old style of reporting bereft of analytical content". In short, the new style did not last: it was a brief Indian summer followed by the long winter of the old style. Therefore this resolution would substitute words for action and give an impression of reform without actual reform.

Within this constraint and in spite of it, we support the Resolution on Working Methods and would do so if it comes for action. This would be only a moral statement but even a simple political declaration should lead to the next step which would be concrete. The powerful country I had mentioned earlier has apparently, in some capitals given a non paper called "Defeating the Swiss Proposal". It reminds me of their earlier non paper on "Defeating the G-4 proposal". In short, defeat everything that is reasonable and public

spirited so that the continued victory of unreason can be ensured as well as the replay of the old UFC argument that this would inflame divisions and hamper reform. Everything that disturbs the status-quo is inflammatory by definition. Those who remember the aftermath of July would remember how the colour, the energy and the synergy went out of the negotiations on the general reform. That UNSC reform was adding synergy to the general reform effort is quite logical because it is the heart of the reform. The non paper objects to the resolution because it "seeks to impose GA oversight". I thought this was the whole idea. That is why, though incomplete and impractical (without moving a Charter amendment), the Swiss Resolution is a step in the right direction. I would not refute the recourse to Article 30 and Article 24 etc. because my young friend, the distinguished Permanent Representative of Costa Rica has already done so with great ability and skill, far above my power to add or detract, to echo Lincoln's phrase. To say that the UN Security Council is efficient or its working methods are adequate is like saying that the Spanish Inquisition represented objective judgement and transparency.

The opponents of a quick and comprehensive UNSC reform would like it to be like the Cheshire Cat, where only a smile was left, a smile without the cat. But this cat may have nine lives. And they may have not only caught the cat by the wrong tail but the wrong cat by the wrong tail. The UNSC report, as pointed out earlier, is factual to the point of being meaningless. Like Mr. Gradgrind in Charles Dickens, it has a wholly one-sided concentration on facts, facts, facts, a kind of Gradgrindism. Some of these, like on UNMEE, show not arbitrary strength but an indecisive weakness. In any case, they lack what the Homeric Greeks called 'sophrosyne'- the golden mean. The thematic debates show that the UN Security Council continues to do what it should not, sometimes at the cost of doing ill what it ought to do well. I do not dispute that there are successes but equally there are failures that could have been mitigated, mistakes that could have been corrected and successes that could have been made more secure through new permanent members especially from Africa bringing new assets and giving decisions optimality and acceptance, minimizing the use of force. One can pretend of course that all is well and could not be better. I hope nevertheless that the advice of the Bible (the Psalms) would one day be heeded "Ye weigh the violence of your hands on the earth".

In earlier debates, we have commented on the elements of the UFC proposal. I would not repeat my comments except to say very briefly that the principle of equality should also include the permanent members category; the threat of non-ratification simply means that a reform is radical; and the UFC proposal, because of the principles of re-election and permanent presence being applicable to all non permanent seats, would in fact reduce sharply the chances of small countries which are increased through the G-4 proposal¹. It is no coincidence that many small countries are cosponsoring our Resolution. Those who stand in the path of the empowerment of developing countries, who are in favour of their continuing to be the objects of history, and who thereby continue to defend selfish privilege would have to be resisted through debate, reason and action. The forces holding back real reform are already in dissolution. They have mistaken the hour of the day - it is evening.

Thank you, Mr. President.



750. Statement by Ajai Malhotra, Deputy Permanent Representative at the UN at the Informal Consultations of the 60th UNGA Plenary on "Development and ECOSOC Reforms".

New York, November 22, 2005.

Mr. Chairman,

At the outset I would like to thank the distinguished co-Chairs for convening this informal plenary meeting on development and strengthening of ECOSOC.

My delegation endorses the views expressed by the Chairman of the G-77 that we need to strengthen the momentum generated by the 2005 World Summit towards promoting international cooperation for development

1. Through increase in non-permanent seats; withdrawal of new permanent members from non-permanent seat elections; above all, day-to-day participation of small States in UNSC subsidiary bodies through introduction of new working methods; greater attention to the development dimensions of peace and security decisions.

and in positioning the discourse on development at the center of the global agenda. We have been somewhat disappointed so far by the inadequacy of the treatment of development in the follow-up of the implementation of the Outcome Document. The follow-up must ensure that the fundamental objective of rapid economic growth of developing countries enabling them to meet the MDG targets, reduce poverty and increase employment, is kept in view. The General Assembly also needs to decide on the modalities for effective follow-up of the commitments made at the World Summit, relating particularly to the realisation of the internationally agreed development goals, including MDGs, which goes beyond the strengthening of ECOSOC. We are confident that the informal consultations today would also help broaden the scope of further discussions on the follow-up of development issues.

Strengthening of ECOSOC is an integral part of the comprehensive process of UN reform. In this context, it is particularly important to retain the primacy of the United Nations on development related issues. The Charter [Article 66] provides for the Council to perform such functions as are assigned to it by the General Assembly. We believe there is need for better organisation of the work of ECOSOC and the General Assembly to allow for in-depth consideration of issues in ECOSOC and better focus in the General Assembly on development issues with a view to providing political direction to global processes in the economic, social and related fields. What is required is putting in place modalities for the General Assembly's involvement in the Council's principal responsibilities. Hence the need for the details of the functions/ operationalisation of the proposals for the strengthening of the ECOSOC to be articulated by the General Assembly.

ECOSOC is well placed to identify innovative solutions to long-standing, but important, challenges to global policy in the economic and social realm. That is where ECOSOC's potential lies. But, there must be political will to allow ECOSOC to discharge its responsibility - to perform the oversight, coordination and policy-guidance functions envisaged for it under the Charter, particularly Chapters IX and X, with respect to its own functional commissions and subsidiary organs, UN Funds and Programmes, and UN Specialised Agencies. These aspects must be kept in view for the operationalisation of proposals contained in the Outcome Document, including in the context of the review and assessment of the implementation of the internationally agreed development goals, including the MDGs.

There is need for a clear enunciation of how ECOSOC could contribute to review of the realisation of MDGs by the GA. In this context, the oversight and policy coordination role of the ECOSOC is of significance. Hence the need to clearly define the objectives of the 'annual high-level policy dialogue' - practical ways of how oversight by the ECOSOC could be made effective in order to identify and make policy recommendations that ensure that policies are supportive of development and that institutions do not work at cross purposes. Hence also the need to strengthen the role of ECOSOC as the central mechanism for system-wide coordination.

Mr. Chairman,

High priority also needs to be given to elaboration of indicators, which must include elements such as establishment of timetables for meeting ODA commitments, compensation schedule and monitoring of donor funding for the implementation of debt relief, timetables for elimination of export subsidies and trade-distorting domestic support by the developed countries in the area of agriculture, etc.. Monitoring the progress made in implementation of MDG 8 by developed countries must become an integral part of monitoring MDGs as a whole.

There is also need for concrete proposals on ways to promote greater coherence among development activities of different development partners and the manner in which the economic and social work of the UN could be related to the activities/policies of the Bretton Woods Institutions and the WTO, not only to monitor developments in the international economic and social fields, but also to set the development agenda. The purpose behind consolidating links between the UN and Bretton Woods institutions and WTO is to seek to influence their activities in favour of advancing the development agenda and to enable ECOSOC, and the UN, in general, to re-emerge as the most influential forum in support of development.

There is need for a clear enunciation of how the proposed Development Cooperation Forum could effectively undertake review of trends in international development cooperation. Paragraph 22 of the World Summit Outcome Document provides a practical framework for enhancing international cooperation for development. We recall, in this context, the discussion on the Millennium Project Report which stressed the need for aligning international support to country-led programmes and particularly to mobilise support to meet the financing gap. This aspect must be kept in

view while finalising the organisational modalities for the biennial high-level Development Cooperation Forum.

We welcome the proposal to strengthen links between the normative and operational work of the UN, particularly the oversight by ECOSOC of the activities undertaken by funds and programmes. The principal foundation for operational activities of the UN development system is country-driven programming, i.e., the UN system responding to the needs and priorities of the recipient countries. Nothing should be done to undermine this principle, particularly when increased efforts are needed to ensure that the activities of the funds and programmes in recipient countries support and advance the implementation of the development goals, including the MDGs. Financing of operational activities is another area which needs to be addressed.

Mr. Chairman,

ECOSOC can play an important role in complementing international efforts aimed at addressing emergencies caused by natural disasters or other complex humanitarian emergencies. Inclusiveness, transparency and democratic decision-making in the preparatory process for addressing such situations would be essential for such response to be effective. ECOSOC must fulfill this task in an effective and efficient manner. Special attention also needs to be given to strengthening the inter-governmental oversight of the activities developed by agencies related to humanitarian assistance.

In conclusion, I would like to confirm to the distinguished co-Chairs the full and constructive support of my delegation during the further, in-depth consideration of the issues of development and ECOSOC reform.

Thank you, Mr. Chairman.



751. Statement by Ambassador Jayant Prasad, Head of Indian Delegation, at the 7th Annual Conference of the States Parties to Amended Protocol II to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons which may be deemed to be Excessively Injurious or to have Indiscriminate Effects.

Geneva, November 23, 2005.

Mr. President,

We would like to congratulate you on your assumption of the Presidency of the Seventh Annual Conference of the States Parties to the Amended Protocol II on Prohibitions or Restrictions on the Use of Mines, Booby-Traps and Other Devices to the Convention on Certain Conventional Weapons. You have my delegation's full support in your effort to make a success of this Conference.

All of us present here share the vision of a mine-free world. India remains committed to the ultimate objective of a universal and global ban on anti-personnel landmines, in a manner that would also address the legitimate national security concerns of States. We hope that the availability of appropriate militarily effective, non-lethal and cost-effective alternative technologies will greatly facilitate achieving the complete elimination of anti-personnel landmines.

The Amended Protocol II embodies two general principles of International Humanitarian Law: that the civilian population requires protection against the effects of hostilities and that the right of parties to an armed conflict to choose methods or means of warfare is not unlimited. AP II is the most comprehensive legally-binding instrument that addresses the humanitarian risks posed by the indiscriminate and irresponsible use of all types of mines, anti-personnel mines, anti-vehicle mines and other explosive devices. If implemented in letter and spirit, it would go a long way in addressing humanitarian concerns, while permitting States to use these mines in a responsible and regulated fashion for legitimate requirements.

It is a matter of satisfaction that an overwhelming majority of States Parties to the Convention on Certain Conventional Weapons have testified to the efficacy of the consultation, cooperation and compliance mechanism

laid down in the articles 13 & 14 of this Protocol and would like to see a compliance mechanism crafted for the entire CCW process on similar lines. It is also encouraging that a large number of States Parties, including India, have submitted their national annual reports, in keeping with their obligations.

India's commitment to AP II is testified by its full and effective implementation of the provisions of the Protocol. As required by the Protocol, design and development of detectable anti-personnel mines has been completed, necessary technical issues resolved and requisite financial support obtained to effect these modifications. The concerned agencies have formulated and disseminated a comprehensive roadmap to ensure that the commitments are met well before the stipulated deadline. India has not produced non-detectable mines since January 1997. India also observes a formal, moratorium on export of landmines and favours an outright ban on transfer of mines even to States Parties to the Protocol. In India, the production, trade and use of landmines is solely vested with agencies of the Union Government.

Our landmine policy authorizes the use of landmines exclusively by military formations. They have well established Standard Operating Procedures whereby minefields are laid, if required, along the border areas as part of military operations. These minefields are properly marked and fenced to prevent casualties to innocent civilians or grazing cattle. There is no minefield or mined area in any part of India's interiors. India has never used mines for maintenance of internal order or in counter-terrorism operations, notwithstanding the gravest security challenges posed by terrorists. On their part, terrorists use improvised explosive devices against civilian targets with wanton indiscriminate.

Dissemination of information to the armed forces and enhancement of public awareness on anti-personnel landmines is an important part of my government's policy. These measures include distribution of a booklet on India's position on landmines and her obligations under AP II to armed forces personnel, and including the subject in the syllabi of the military courses. The concerned government agencies interact on a regular basis with each other on the implementation of the provisions of AP II. A number of civil society organizations, strategic think tanks and the mass media have strengthened the government's hand in increasing public awareness on the implementation of the provisions of AP II.

The Indian army has acquired considerable technical expertise in defusing and clearing mines and improvised explosive devices. This expertise has been extensively applied in UN-sponsored mine clearance programmes in several peacekeeping operations that India has participated in, including those in Angola, Bosnia, Cambodia, Congo, Ethiopia, Mozambique, Rwanda, Sierra Leone and Somalia. We are in favour of strengthened technical cooperation in mine clearance programmes, including the unrestricted transfer of mine detection and clearance technology, equipment and training. In the field of prosthetics, our experts have developed and distributed in mine affected countries of Africa and South Asia, especially Afghanistan, what is popularly known as the 'Jaipur Foot', widely acclaimed as an efficient and cost effective artificial limb. Since January 2002, India has held several artificial limb fitment camps in many parts of Afghanistan for the rehabilitation of mine victims.

India supports measures undertaken by the States Parties for the universalization of AP II. We welcome the accession of the former Yugoslav Republic of Macedonia, Liberia, the Russian Federation, Turkey and Venezuela who have joined AP II since we last met in November 2004. I take this opportunity to urge those who have not done so to ratify the CCW Convention and its five protocols as soon as possible. My delegation looks forward to a useful exchange of views on the implementation of the Protocol, to which we have committed ourselves with the objective of securing a mine-free world.



752. Statement by Ambassador Nirupam Sen, Permanent Representative at the United Nations on Agenda Item 75(A): Oceans and The Law of the Sea and (b) Sustainable Fisheries, including through the 1995 Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, and Related Instruments at the 60th session of the UN General Assembly.

New York, November 28, 2005.

Mr. President,

My delegation welcomes the comprehensive reports of the Secretary General on Oceans and Law of the Sea. We have studied with interest the Secretary-General's report on issues relating to the conservation and sustainable use of marine biodiversity beyond areas of national jurisdiction, which was made available to assist the Ad Hoc Open-ended informal Working Group in preparing its agenda. We appreciate its high quality and are sure that the Ad-Hoc Working Group will benefit from the diverse information offered in the Report

Mr. President,

The fisheries sector occupies an important place in the socio-economic development of India. It is a powerful income and employment generator, stimulates growth of a number of subsidiary industries, and is a source of cheap and nutritious food besides being a foreign exchange earner. Most importantly, it is the source of livelihood for many economically marginal communities. Harvesting of marine fish resources in India takes place at three levels, viz., subsistence fishing, small scale fishing, and industrial fishing. The recently adopted marine fishing policy of the Government of India advocates protection, and encouragement of subsistence fishermen, technology transfer to the small scale sector, and infrastructure support to the industrial sector. The policy also emphasizes that efforts be made to fully comply with international requirements in post harvest care of catch, so as to achieve the highest standards of food safety.

Mr. President,

India attaches high importance to the effective functioning of the institutions established under the United Nations Convention on the Law of the Sea. Given the geography of India, with a coast line extending four thousand miles and with 1300 islands, we have a traditional and abiding interest in maritime and ocean affairs. The large population in our coastal areas and in the islands has always looked to the sea for sustenance. We will continue to extend our full cooperation and to participate actively and constructively in all activities pertaining to the Convention and related agreements. India's accession this month to the Agreement on the Privileges and Immunities of the International Tribunal for the Law of the Sea, and to the Protocol on the Privileges and Immunities of the International Seabed Authority demonstrates our commitment to work closely with the institutions established under UNCLOS.

Mr. President,

All subsidiary institutions under the Convention, namely the International Sea-bed Authority, the International Tribunal for the Law of the Sea and the Commission on the Limits of the Continental Shelf, have made considerable progress in their respective areas of work over the past year. India has been working closely with all these institutions. We have invested heavily in the exploration of minerals in the deep-sea bed. We continue to incur considerable expenditure for collection of data as a primary investor and now as a Contractor. The International Sea-bed Authority is currently involved in the development of a legal regime for prospecting and exploration of poly-metallic sulphides and cobalt-rich crusts. We appreciate the role of the Authority in the conservation of biodiversity in the Area, especially elaboration of the rules, regulations, and procedures to ensure the effective protection of the marine environment, the protection and conservation of the natural resources of the Area, and the prevention of damage to its flora, and fauna, from harmful effects that may arise from activities in the Area.

Mr. President,

We note with satisfaction the progress made by the Commission on the Limits of the Continental Shelf. The Commission becomes active as four coastal states have submitted their claims under Article 76 of the UNCLOS and a number of countries have indicated the submission of their

claims between 2005 and 2008. The developing countries which are in the process of preparing submission to the Commission might require help in some cases to enhance their capacity. In this regard, we appreciate the regional training courses conducted by the Division for Ocean Affairs and the Law of the Sea in Fiji and Sri Lanka and welcome the efforts made by the Division to organize training courses in Ghana and Argentina. We believe that States which have expertise in the delineation of outer limits of the Continental Shelf must also extend such cooperation by providing assistance to developing States which require expertise to submit their claim under Article 76 of the UNCLOS. In this regard, we would like to reiterate that India has the requisite expertise for assessment and mapping of the Continental Shelf, has been and is willing to extend cooperation in training other developing countries for this purpose. We also welcome in this context the efforts of the Division of Ocean Affairs and Law of the Sea in bringing out a training Manual to assist States in developing the requisite knowledge and skills in preparing their submission in respect of the outer limits of the Continental Shelf. We are happy to note that the validation of comprehensive training manual is complete and its final version would be available shortly.

Mr. President,

The International Tribunal for the Law of the Sea has been active as an independent judicial body established by the Convention to adjudicate disputes arising out of its interpretation or application. It has decided a number of cases involving a wide variety of issues such as freedom of navigation and other internationally lawful uses of the seas, the enforcement of customs laws, refueling vessels at sea, and the right of hot pursuit, conservation and sustainable use of fish stocks, provisional measures and matters involving land reclamation. The Tribunal enjoys a high reputation for fairness and integrity. We congratulate the newly elected judges to the ITLOS and its new President.

Mr. President,

The international community has continued to focus over the past year on issues relating to navigation, conservation and management of living marine resources, and conservation and management of biological diversity of the sea-bed in areas beyond national jurisdiction. Discoveries of highly complex and diverse ecosystems in areas beyond national jurisdiction, coupled with advanced biotechnology sector, have led to

increasing interest and activities in relation to genetic resources beyond national jurisdiction. As a corollary to these developments a general debate over the legal status of genetic resources located in the sea-bed in area beyond national jurisdiction is also getting increasingly intense. The need for devising new approaches within the confines of UNCLOS to promote international co-operation aimed at conservation and sustainable use of living resources of the high seas and benefit sharing of seabed resources located in the areas beyond national jurisdiction cannot be over emphasized. Participation of developing countries in devising these new approaches greatly depends on the scientific information available to them. Promotion of flow of scientific data and information and transfer of knowledge resulting from marine scientific research, especially to developing States, is therefore needed.

In the area of navigation, we would like to express our serious concern over the escalation of piracy and robbery at sea. Recent incidents involving killing of crew members, hostage taking and hijacking of a ship chartered by the World Food Programme carrying food aid for Somali survivors of the Indian Ocean tsunami, reflect grave threats to maritime security. The international community must find ways and means to end this menace.

Mr. President,

It is a matter of serious concern that efforts to improve the conservation and management of the world's fisheries have been confronted by the increase in illegal, unregulated and unreported fishing activities (IUU fishing) on the high seas, in contravention of conservation and management measures adopted by regional fisheries organizations and arrangements, and in areas under national jurisdiction in violation of coastal States' sovereign rights to conserve and manage their marine living resources. Fishing over capacity is another negative factor which is responsible for creating a situation where the harvesting exceeds the amount of resource available to harvest. Any action that would help in reversing the trend of over-fishing in many areas would help in the reduction of IUU fishing and will guarantee the enforcement of the rights of developing coastal States. Another way of eliminating IUU fishing is to eliminate subsidies that contribute to illegal, unreported and unregulated fishing.

In the context of sustainable fisheries, the need for enabling

developing countries to develop national, regional, and sub regional capacities for infrastructure and integrated management and the sustainable use of fisheries, cannot be over emphasized. A better understanding of the oceans through application of marine science and technology, and a more effective interface between scientific knowledge and decision making, are central to the sustainable use and management of the oceans. Marine scientific research can lead to a better understanding and utilization of almost every aspect of the ocean and resources, including fisheries, marine pollution, and coastal zone management. Accordingly, it is vital that developing countries have access to and share in the benefits of scientific knowledge on the oceans. Developing countries also need to be provided assistance for capacity building, as well as development of information and skills to manage the oceans for their economic development. We particularly support, therefore, operative paragraph 16 of the draft resolution on sustainable fisheries which, inter alia, invites States and international financial institutions and organizations of the United Nations system to provide assistance to developing States, to enable them to develop their national capacity to exploit fishery resources.

Thank you, Mr. President



753. Statement by Ambassador Nirupam Sen, Permanent Representative at the United Nations on Agenda Item 17 : The Situation in Afghanistan and its Implications for International Peace and Security and Agenda Item 73 (E) : Emergency International Assistance for Peace, Normalcy and Reconstruction of War-stricken Afghanistan at the 60th session of the UN General Assembly.

New York, November 28, 2005.

Mr. President,

I thank you for scheduling this important debate on Afghanistan, providing as it does the only opportunity for Member States to engage on this critical issue in the General Assembly. We, therefore, welcome the opportunity to participate in this discussion under the relevant agenda items of the General Assembly.

Mr. President,

The pace of democratic change in Afghanistan has been remarkable by any standards. Afghanistan's successful realization of democracy's milestones - the historic election of its President, the entry into force of its first ever Constitution and, most recently, fully democratic parliamentary elections - are all testimony to the courage and conviction of its citizens and leaders.

It was only last week that confirmation of the final results of the parliamentary and provincial council elections was received, thus marking a successful conclusion of the Bonn process. We congratulate the people of Afghanistan on the successful holding of these elections, which constitute an important stage in Afghanistan's journey towards a peaceful, stable and prosperous society. It also amply demonstrates, once again, the choice of the Afghan people for a non-violent and democratic way of life, and Afghanistan's readiness to emerge as a democracy, with commitment to individual rights, the rule of law, an open society and an open polity.

Mr. President,

India's support for a sovereign, democratic and prosperous

Afghanistan was reiterated during the visit of Prime Minister Dr. Manmohan Singh to Kabul in August 2005, when he conveyed that India stood ready to continue contributing to the task of rebuilding Afghanistan, including through the strengthening of its democratic institutions. During his visit, the Prime Minister of India, along with Baba-e-Millat, former King - Zahir Shah, laid the foundation stone of the building which would house the newly-constituted Parliament of Afghanistan. The parliament building is being constructed with Indian funding - a manifestation of India's commitment to democracy in Afghanistan.

Mr. President,

As in previous years, India has co-sponsored the General Assembly's annual draft resolution on Afghanistan. In our view, the draft resolution provides a balanced overview of the situation in Afghanistan. It, inter alia, calls upon the Government of Afghanistan to continue to address the threat to the security and stability of Afghanistan posed by Al-Qaida operatives, the Taliban and other terrorist or extremist groups as well as by criminal violence, in particular violence integral to the drug trade; endorses the key principles of cooperation between the Government of Afghanistan and the international community during the "Post-Bonn Process" as set out in the Secretary General's report; and welcomes the readiness of the Government of Afghanistan to prepare an interim national development strategy, to be considered at a Conference in London planned for January 2006, where a new engagement between the international community and the Government of Afghanistan is also due to be completed.

We wish to take this opportunity to thank the delegation of Germany for having initiated and coordinated the resolution. We believe that the resolution performs an important function by highlighting the international community's assessment of the progress achieved in the political, security, economic, social and other critical spheres of Afghanistan's development and by drawing attention to the areas that require further attention. We would have no objections to plans, by the coordinators of the resolution, to merge its two parts, relating to peace and security and reconstruction and humanitarian issues, into one comprehensive resolution on the situation in Afghanistan for the 61st session of the General Assembly.

Mr. President,

Just last week, on November 23, Mr. M. R. Kutty, an employee of the

Border Roads Organization of India, working on the construction of the Zaranj-Delaram road project in Afghanistan, was brutally murdered by his abductors. Kutty, along with three Afghan nationals, had been abducted on November 19, 2005 by the Taliban. We strongly condemn this inhuman and barbaric killing of an innocent person. The Taliban and its backers bear the responsibility for the consequences of this outrageous act. We hope that the perpetrators will be swiftly brought to justice. The Border Roads Organization of India is engaged in building a road in Afghanistan that is vital for its development and the welfare of its people. It is inconceivable that anybody should be opposed to it and threaten those working on it.

The recent escalation in violence, illustrated by the deaths of Mr. Kutty and other development and humanitarian personnel, underlines the continuing serious threat to Afghanistan's security and stability posed by remnants of the Al-Qaida, Taliban and other terrorist and extremist elements. The report of the Secretary General [A/60/224] states that "Afghanistan today is suffering from a level of insecurity, especially in the south and parts of the east, not seen since the departure of the Taliban. The growing influence of non-Afghan elements in the security environment is of particular concern". There are clear signs that such elements continue to receive support and safe haven across the border from the southern and south-eastern provinces of Afghanistan. International responses against such destabilization are essential but cannot be limited to combat operations on the ground. It is equally necessary to resolutely attack the financing, the safe havens, the training camps and networks that support them.

The Outcome Document adopted by our Heads of State and Government at the 2005 World Summit calls upon States "to refrain from organising, financing, encouraging, providing training for or otherwise supporting terrorist activities and to take appropriate measures to ensure that their territories are not used for such activities". The efficacy of cooperative multilateralism can unfortunately only be tested against the intention of its weakest adherents.

India remains committed to the goal of a sovereign, stable, democratic and prosperous Afghanistan. Such an Afghanistan is necessary for peace, security and stability in the region. During the Prime Minister of India's recent visit to Afghanistan, he and President Hamid Karzai condemned global terrorism as a threat to democracy and declared that

there could be no compromise with those who resort to terrorism. They reiterated their commitment to work together to ensure that Afghanistan would never again become a safe haven for terrorism and extremism.

Mr. President,

The Afghanistan Opium Survey 2005, released earlier this month by the United Nations Office on Drugs and Crime, registered a decrease in opium poppy cultivation in Afghanistan for the first time since 2001, with the area devoted to drug crops declining an impressive 21%. The decline in cultivation is important and encouraging and was a result of the compliance by Afghanistan's farmers with the government's anti-cultivation messages or eradication policy. Unfortunately, Afghanistan's share of opium production continues to remain high. In 2005, Afghanistan contributed roughly 87% of the world total.

India remains deeply concerned by the cultivation, production and trafficking of narcotic drugs in Afghanistan, and its links with criminal and terrorist networks. This phenomenon can only serve to undermine the political and economic reconstruction of Afghanistan and has potentially dangerous repercussions for the region and beyond. In response to a request from the United Kingdom, which is the lead country for tackling the drugs problem in Afghanistan, India has agreed to contribute to the recently established Counter Narcotics Trust Fund. We have also communicated our agreement to take up a pilot project on community development to wean away farmers from poppy cultivation.

Mr. President,

India and Afghanistan enjoy traditional bonds of friendship, a shared history, many common traditions and enduring cultural ties. In the last three years our bilateral relations have reached a new level of intensity and cooperation. In partnership with the Afghan government, we have been able to implement a significant program of reconstruction assistance. India's present commitments add up to over US \$550 million since 2002, making it among the top 6 contributors to Afghanistan's reconstruction, a significant effort for a non-traditional donor. India has undertaken, in partnership with the Afghan government, projects in a wide range of sectors, including hydro-electric power, road construction, agriculture, industry, telecommunications,

information & broadcasting, education and health, which were identified by the Afghan government as priority areas for development. In the next phase of our assistance programme, we plan to focus on undertaking community based small-scale developmental projects, which have a short gestation period with a direct, rapid and visible impact on community life.

Underlying our cooperation with Afghanistan is our desire to see Afghanistan emerge as a strong, united, independent and prosperous country. We wish to see full consolidation of authority by the central government. Our efforts in reconstruction and other sectors would be directed at promoting unity and reconciliation. During his visit to Afghanistan, the Prime Minister of India stated, "It is a privilege for India to be a partner in the path that Afghanistan has chosen. So I come back with a great sense of satisfaction that our two countries are working hand-in-hand to accelerate the tempo of social and economic development and to strengthen the democratic foundations of the polity of Afghanistan."

I am happy to place, at the disposal of those delegations that may be interested, a brochure and CD-ROM entitled "Rebuilding Afghanistan - India at Work", providing an overview of India's assistance to Afghanistan.

Thank you, Mr. President.



754. Statement by Ambassador Nirupam Sen, Permanent Representative at the United Nations on Agenda item 15: Question of Palestine and Agenda Item 14: the Situation in the Middle East at the 60th session of the UN General Assembly.

New York, November 29, 2005.

Mr. President,

India has warmly welcomed the agreement concluded between Israel and the Palestinian Authority on the Rafah border crossing for travel between Gaza and the West Bank, and for building a sea port in the Gaza Strip. We believe that this was a significant development that would go a long way towards improving the lives and economy of the Palestinian people living in the Gaza Strip. There also seems to be a need for a floating dock or some other such arrangement, which can be operationalised quickly, because the belief that there is no guaranteed border outlet seems to be holding back foreign investors. The opening of the Rafah border last Saturday, which enabled 1,548 Palestinians to cross into Egypt without being subject to Israeli checks for the first time, has raised hopes for further progress in efforts to revitalize the Middle East Peace Process.

There have also been other signs generating optimism this year. The election of President Mahmoud Abbas in January 2005 demonstrated the commitment of the Palestinian people to democracy. In September, Israel withdrew from the Gaza Strip and parts of the northern West Bank, marking Israel's first withdrawal from occupied Palestinian territory since 1967. This landmark event has set an important precedent for the eventual realization of a two-State solution. India had welcomed the withdrawal as a positive development and the beginning of a process that we hoped would take forward the negotiations in accordance with the Roadmap and the relevant UN Security Council Resolutions. Elections for the Palestinian Legislative Council, scheduled for January 2006, will provide further incentive for the Palestinians to fully engage in the democratic process.

Mr. President,

With a renewed sense of optimism also comes the hard reckoning of reality. In his report [A/60/539] dated November 7, 2005 on the agenda

items under consideration, the Secretary General draws attention to the fact that the humanitarian situation of the Palestinian people in 2004 has remained grave. About half of the Palestinian population lived below the official poverty line of \$2.10 per day, compared to just 22 percent in 2000. Furthermore, 16 percent of Palestinians (approximately 560,000 people) were in deep poverty. Unemployment increased more than threefold since 2000, reaching a figure of 238,000 unemployed in 2004, largely as a result of internal and external roadblocks in and to the occupied Palestinian territory. Palestinians continued to face problems reaching their places of work, schools and hospitals, and standards of health and education continued to deteriorate. In some parts of the territory, Palestinians' needs for additional humanitarian assistance rose sharply as a consequence.

The Secretary General has also expressed concern over Israel's continued settlement expansion and unilateral construction of the wall in the West Bank. He has pointed out that lack of action on removing illegal settlement outposts erected since 2001 has severely undermined trust in Israel's intentions and that government-sponsored settlement activity has a negative impact on the territorial contiguity of Palestinian territory and thus remains a source of serious concern. According to the Roadmap, Israel has an obligation to freeze all settlement activity, including natural growth, and immediately dismantle outposts erected illegally since March 2001. The Secretary General has also stated that Israel's unilateral construction of the wall on Palestinian land continues and that along with continued Israeli settlement activity, it constitutes a key challenge to the fulfilment of the Roadmap's goal of a two-State solution.

At this critical stage, it becomes all the more important for the international community to take steps to see smooth implementation of Palestinian trade and transit access both within its territories and with the outside world. It is equally important for Israel to stop settlement activity, lift curfews and ease restrictions on the movement of persons and goods and thereby significantly improve the humanitarian situation in the Palestinian territories. Israel's actions should not result in prejudging final status issues or threaten longer-term prospects for peace by making the creation of a viable and contiguous Palestinian State much more difficult.

The problem is that settlement activity leads to cantonisation and changes patterns of transportation and access. The wall's encroachment

on Palestinian land and interests create great hardships for the Palestinian people affected by its construction and exacerbates the situation by placing populations, agricultural land and a part of the West Bank aquifer beyond their reach. Moreover, continued construction of the wall on Palestinian land threatens to prejudge the eventual outcome of the final status negotiations between the parties. We therefore reiterate our call to Israel to abide by its legal obligations as set forth in the 9 July 2004 advisory opinion of the International Court of Justice and resolution ES-10/15 of the General Assembly.

On its part, the Palestinian Authority has to also shoulder its responsibility by undertaking action on the ground to halt violence. As the Secretary General has pointed out, the Palestinian Authority must push ahead with efforts to reform the Palestinian security services. Decisive action in this regard should help to restore law and order.

Mr. President,

India has, over the years, assisted the Palestinian Authority through development projects and human resources development. Indian assistance projects in the Palestinian Authority include construction and establishment of the Jawaharlal Nehru Library at the Al Azhar University in Gaza City and the Mahatma Gandhi Library-cum-Student Activity Centre at the Palestinian Technical College at Deir Al Balah in the Gaza Strip.

During the visit of President Abbas to India in May 2005, the Prime Minister of India announced a grant of US \$ 15 million to Palestine for developmental projects. This was an addition to a grant announced earlier this year. These grants will, inter alia, fund hospitals and Information Technology Centres in Gaza and Ramallah, an Indian Chair in Al Quds University and a school in Abu Dis.

We wish to also recall the late Palestinian President Yasser Arafat, who passed away on 11 November 2004. For nearly four decades, he represented the national aspirations of the Palestinian people. On this occasion, we wish to pay homage to his memory and recall his ever-lasting contribution to the Palestinian cause.

Mr. President,

We would urge both Palestinians and Israelis to make optimal use

of the opportunities represented in this new beginning. The ceasefire concluded at the Sharm el Sheikh Summit in February 2005 has broadly survived, resulting in a noticeable improvement in the security situation marked by a decrease in the number of deaths since then. Renewed and redoubled efforts are necessary for the peace process to move forward in accordance with the relevant UN resolutions, the "Quartet" Roadmap and international law. The international community must press for renewed action in parallel by both parties on their obligations under the Roadmap, which provides both Israel and the Palestinians the best opportunity to move beyond the conflict and towards peace, security and prosperity. The international community must also continue to assist the parties in simultaneously addressing economic, humanitarian, security and political issues.

We hope that a negotiated solution to end this conflict will be found quickly. The vision of an independent, democratic and viable Palestinian State living side by side with Israel in secure and recognised borders remains as valid, and perhaps more attainable now, than at any other time. India urges the parties concerned and the international community to press for a just and comprehensive resolution of the conflict and the broader achievement of peace, security and stability for the entire region within the earliest possible time-frame, based on Security Council resolutions 242, 338, 1397 and 1515.

Mr. President,

India has advocated a comprehensive solution to the situation in the Middle East, as the logical next step in the resolution of the wider Israeli-Arab conflict on the regional level as envisaged in the Saudi Arabian peace initiative. The principle of "land for peace" holds equally valid in addressing the other tracks of the Middle East conflict. We sincerely hope the comprehensive political process can be revived at the earliest.

Thank you, Mr. President.



755. Statement by Ambassador Jayant Prasad, Permanent Representative to the Conference on Disarmament at the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction.

Geneva, December 5, 2005.

Mr. Chairman,

Allow me to express the pleasure of my delegation in seeing you in the Chair. We assure you of our cooperation in the discharge of your functions and are confident that your wise leadership will facilitate fruitful exchanges at our meeting.

India believes that multilaterally negotiated and legally binding instruments provide the best mechanism to deal with the disarmament, arms control and proliferation issues. When the Biological and Toxin Weapons Convention (BWC) entered into force in 1975, it became the very first disarmament instrument eliminating an entire class of weapons. This happened because its States Parties determined in the Convention to exclude completely the possibility of bacteriological (biological) agents and toxins being used as weapons, to achieve which, they undertook never, in any circumstances, to develop, produce or retain microbial or other biological agents or toxins for weapons purposes.

The BWC, however, has some intrinsic weaknesses. India, therefore, fully supports initiatives to strengthen the Convention, ensure its full implementation by all States Parties and make it universal. This will help combat the twin dangers of proliferation of weapons of mass destruction and terrorism, including the possibility that terrorists or rogue elements within state structures may gain access to dangerous bacteriological agents and toxins and use them as weapons. Given the rapid advances in biotechnology, genetic engineering and microbiology, coupled with easier access to the requisite materials and technology that could enhance the resilience and adaptability of microbial agents and toxins, and thereby improve their virulence, infectibility, stability and survival, such microbial agents and toxins could well become weapons of choice for terrorists.

India is fully supportive of and has actively participated in the present BWC process, established by the resumed Session of the 5th Review Conference in 2002. Anchored in the multilateral framework, which is a prerequisite for addressing issues that impinge on the security of States, this process has been useful and productive.

In 2003, States Parties promoted common understandings, through an exchange of views on the national implementation of the prohibitions contained in the Convention, including national mechanisms for the bio-safety and security of pathogenic microorganisms and toxins.

In 2004, States Parties addressed enhancing international capabilities for responding to alleged use of biological or toxin weapons or suspicious outbreaks disease. They also discussed measures to buttress and broaden national and international institutional efforts and existing mechanisms for the surveillance, detection, diagnosis and combating of infectious diseases. Participation of the concerned international organizations enriched the process.

In their meeting earlier this year, Experts of States Parties exchanged experiences and perspectives on the content, promulgation and adoption of codes of conduct for scientists. Your initiative, Mr. Chairman, of involving in this exercise, representatives of international organizations, professional scientific bodies and research institutions, contributed positively in creating awareness about the perspectives of those who are important stake-holders. We now have the opportunity to carry forward these discussions to promote a better understanding of the issue in all its aspects.

India believes in the primacy of State responsibility in ensuring the full implementation of any international instrument by States parties. In respect of Biological and Toxin Weapons Convention, they are primarily accountable for monitoring and regulating research and development work in biological sciences and bio-technology. The commitments undertaken by them under the Convention provide the right framework for initiatives at the national level on codes of conduct for scientists. We believe such codes of conduct should not impede the freedom of the scientists to conduct their research in institutions and enterprises or to carry out international cooperation activities, including the exchange of information, materials, equipment or technology for developing the peaceful applications of

biotechnology and life sciences. At the same time, they should promote the ethical principles that underlie the Convention.

The Indian delegation had provided a Working Paper and made a presentation on “Indian Initiatives on Codes of Conduct for Scientists” at the Meeting of Experts. These provided details of the legal, regulatory and administrative framework established in India to regulate research and development work by scientists. Another Working Paper, presented to this Meeting, aims to further elaborate the Indian perspectives on codes of conduct, a subject on which we hope to participate actively in deliberations during the course of this week.

As we conclude the present BWC Process, we naturally look towards the next Review Conference, scheduled a year from now. We believe it will provide an opportunity to review the implementation of the Convention in its entirety, and consider steps that may contribute to strengthening the Convention, further its implementation, and promote universal adherence to it. It will also consider, in this context, the work done under the current process and decide on possible further actions by States Parties.

In this regard, we would like to stress the importance of promoting universal adherence to the Convention and full compliance by States Parties to all their obligations under the Convention. States Parties assume obligations and implement them in good faith, trusting that fellow States Parties would do the same. However, this assurance, that other States are complying with their obligations, is reinforced by our ability to verify the compliance and detect non-compliance. The fear that non-compliance may be detected acts as an effective deterrence against non-compliance. Verification is also useful for its transparency enhancing quality, which in turn fosters confidence. We believe that a mechanism to verify compliance and detect non-compliance with the Convention will strengthen the instrument. The next Review Conference will provide a fresh opportunity to consider this issue.

The annual meetings of the States Parties mandated under the current process, though confined to the consideration of specific issues, have proved useful in giving States Parties the opportunity to reiterate their commitment to the Convention. They have done so primarily through an exchange of information on steps taken by them at the national level to fully implement the Convention. We may, therefore, consider continuing the annual

meetings of States Parties between the quinquennial review conferences, but perhaps with a mandate wide enough to consider implementation of the Convention in all its aspects. Restricting the agenda of these Meetings to specific issues limits their potential contribution to strengthening the norms and standards of the Convention and improving its implementation.

We very much look forward to the proceedings of the current meeting, as also the April 2006 Meeting of the Preparatory Committee tasked to prepare for the next Review Conference.

I thank you Mr. Chairman.



Commission on Human Rights: 61st Session of the Commission on Human rights.

756. Statements by Ambassador and Permanent Representative Hardeep Singh Puri at the 61st Session of the Commission on Human Rights.

Geneva, March 14 - April 22, 2005.

- (i) Agenda Item 5 : The Right of people to Self - Determination and its application to peoples under colonial or alien Domination or Foreign occupation**

March 14, 2005.

Mr. Chairman,

In 1947, India emerged from the dark shadow of colonial rule through a historic non-violent struggle for independence led by Mahatma Gandhi. The people of India, across the length and breadth of the country and encompassing every segment of our society, exercised their right to self-determination. In their hour of triumph, they recognised the cardinal importance of efforts to universalise the enjoyment of this basic right of all peoples still struggling under colonial rule. It has been India's privilege to play a leading role in the historic struggle for de-colonisation. The right of peoples under alien subjugation, domination and exploitation, to freely determine their political status and freely pursue their economic, social and cultural development was recognised as a result of initiatives in which India, as a founder member of the Non-aligned Movement, was at the forefront. Today, the majority of the membership of the UN comprises former colonies; this is clearly a measure of the success of the historic struggle for self-determination.

One glaring and unfortunate exception is Palestine. India remains steadfast in its support for and solidarity with the people of Palestine, as they struggle to realise the inalienable right of self-determination, and achieve their goal of a sovereign, independent State of Palestine with well-defined and secured borders, living in peace with the State of Israel.

Mr. Chairman, we believe that it is necessary to place the concept of

self-determination not just in historical perspective, but also against the totality of international human rights instruments and standards. Relevant international principles re-affirm India's consistent view that self-determination is a right applicable to the peoples of non-self governing colonies and trust territories. The Declaration on Principles of International Law concerning Friendly Relations and Cooperation Among States adopted in 1970, and subsequently the Vienna Declaration and Programme for Action adopted at the World Conference on Human Rights in 1993 in particular addressed themselves to the question of self-determination. They asserted that the right of self determination shall not be construed as authorising or encouraging any action which would dismember or impair, totally or in part, the territorial integrity or political unity of sovereign and independent States conducting themselves in compliance with the principle of equal rights and self determination of peoples and thus possessed of a Government representing the whole people belonging to the territory without discrimination of any kind. It has also been recognized that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of a State or country or at its political independence is incompatible with the purposes and principles of the UN Charter. The principle of equal rights and self-determination of peoples enjoins that every State shall refrain from any action aimed at the partial or total disruption of the national unity and territorial integrity of any other State or country.

In the contemporary context, therefore, the right to self-determination is characterised by the following distinguishing features:

- the right of the whole people to participate in freely held elections and govern themselves through a representative government;
- the right to collectively participate in all walks of national life and national decision-making through democratic institutions;
- the achievement of all fundamental rights on the basis of full equality and non-discrimination, including for religious, ethnic, linguistic and other minorities;
- the full exercise of fundamental freedoms, and respect for universal human rights norms and principles, including those of tolerance and pluralism;

- the right to independence of action and opinion.

It is important to have clarity on this matter, so that we do not succumb to misinterpretations and partial truths about the noble right to self-determination. In particular, this right cannot be invoked to legitimize efforts to subvert and erode the political cohesion or territorial integrity of Member States of the UN. It cannot be abused to encourage secession and undermine pluralistic and democratic states. We have to be wary of the argumentation that societies need to be constituted on homogenous lines before they can be tolerant towards each other, respect diversity and accept multiculturalism. Such a view will only result in fuelling the forces of extreme nationalism and narrow chauvinism.

Against this background, allow me, as the representative of a country which has played a leading role in the struggle against colonialism and imperialism, to conclude by reaffirming once again India's firm and unwavering commitment to the right to self-determination.

(ii) Agenda Item 6 : Racism, Racial Discrimination, Xenophobia and all Forms of Discrimination.

Mr. Chairman,

The phenomena of racism, racial discrimination and xenophobia is the anti-thesis of everything humanity stands for - equality, justice, peace and progress. India's fight against racism in all its manifestations was an intrinsic part of the freedom struggle against colonial rule, and predates its emergence as an independent nation. Mahatma Gandhi launched his political career through Satyagraha or "truthful struggle" against racist policies in South Africa. In 1946, India was the first country to raise its voice against apartheid at the United Nations, and played a leading role in its abolition. The Indian Constitution prohibits discrimination on grounds of religion, race, caste, sex or place of birth and affirms the right to equality, including equality before law, and equality of opportunity in matters of employment as fundamental rights. The Indian Criminal Code and the Indian Penal Code contain provisions which prohibit racial discrimination and dissemination of ideas which promote disharmony on various grounds including race.

In the international arena India played an active part in the drafting of the International Convention on the Elimination of all forms of Racial

Discrimination and was among its early signatories. It is therefore a matter of deep concern to India that there has been a recrudescence of racism, xenophobia, exclusivism and racial profiling in many parts of the world, including in those countries which are signatories to the Convention. These trends pose a serious challenge to the attainment of internationally accepted human rights standards and laws. The first and foremost priority therefore has to be the display of political will by states to implement the commitments they have assumed, and to abide by their international obligations. Secondly, there is need for countries, which have not done so to immediately ratify the Convention.

It is equally important to consolidate the progress that was made at the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance in Durban, by focusing on the implementation of the Durban Declaration and Programme of Action. It is against this background that India welcomes the broader participation of states in the third session of the Working Group on the follow up of the Durban Declaration and Programme of Action. It is matter of satisfaction that the Working Group was able to arrive at its conclusions and recommendations on the basis of a consensus for a second year in a row. The thematic approach that has been adopted by the Group, in our view, constitutes a durable and promising basis for further progress. In particular, we look forward to the High-Level Seminar during the fourth session of the working Group to address the issues identified in the conclusions and recommendations. We believe this will help us to carry our work forward. We similarly welcome the convening of the fourth session of the Working Group of Experts and People of African Descent in October-November 2004.

Mr. Chairman,

Besides theories of racial superiority, that are a legacy of the colonial era, we have to address the other sources and causes of racism and racial discrimination. These include glaring economic disparities amongst various parts of the globe which sustain and strengthen racist attitudes; the onslaught of bigotry, chauvinism and violence on diversity, pluralism and tolerance; absence of democracy, constitutional order and rule of law; political concepts in which foreigners are regarded as rivals or competitors and a threat to local prosperity, culture and identity; immigration, citizenship and refugee laws with racist overtones and political platforms such as neo-nazism that

are based on race related hatred and discrimination. Equally condemnable are policies of oppression of national, sectarian and linguistic minorities. A new challenge is posed by modern communication technologies such as the Internet which are becoming increasingly vulnerable to misuse by the purveyors of racial hatred.

Mr. Chairman,

We are firmly against the stereotyping of any religion. At the same time, we must guard against self-proclaimed defenders of religious faiths. India is home to almost all religions of the world, including the second largest Muslim population. It is absolutely clear to us that true respect for all religions comes only with genuine respect for democracy, tolerance and pluralism.

As one of the most diverse societies in the world, India is fully conscious of its responsibility to make a substantial contribution to the fight against racism. We will work tirelessly to ensure that our shared vision and conviction of an egalitarian global family is translated into reality.

(iii). Agenda Item 7 : The Right to Development

Mr.Chairman,

Even as we align ourselves with the statements made by the Nonaligned Movement and the Like Minded Group under this Agenda item, the Indian delegation would like to once again reaffirm the importance we attach to the realization of the Right to Development.

It is a matter of concern to this delegation that after more than 55 years of the adoption of the Universal Declaration of Human Rights, we are nowhere close to realising the goal of "inherent dignity of man", promised in that Declaration, for millions of poor around the globe. The vision of the Universal Declaration placing equal importance on freedom from fear as well as from want remains largely unfulfilled. The importance of the Right to Development, which represents a synthesis of civil, political, economic, social and cultural rights, lies in enabling the international community to address these important issues effectively.

In 1986, almost 20 years ago, the UN General Assembly unanimously adopted the Declaration on the Right to Development. This marked a major milestone in creating an international normative standard for the realization

and implementation of this Right. In 1993, the Vienna Declaration and Programme of Action re-affirmed that the Right to Development is a universal and inalienable right and an integral part of fundamental human rights.

We believe that the time has come for translating concepts and ideas into action. The development agenda has assumed centre-stage today. Issues of poverty, deprivation, marginalization, and inequalities at the national and international levels are of even greater relevance today. We therefore agree with those who argue that we should move away from conceptual debates to concrete action. At the same time, clarity is necessary even as we move forward. Development in its true sense is a process of a rights-based approach to economic growth. The mandate of this Commission is thus to ensure mainstreaming of the Right to Development in the promotion and protection of all human rights.

The realisation of the Right to Development requires first and foremost effective policies at the national level. States have the primary responsibility and obligation of adopting policies, setting priorities and allocating resources for the realisation of the Right to Development. In our view democracy, transparent, accountable and participatory governance alone can ensure that the actions of States in this area are in the best interests of the people. The function of the watchdog can be performed only by the people of the country who are the best judge of their needs. Prescriptive norms imposed from outside are counter-productive and contrary to the sovereign equality of States recognised in the Declaration.

Mr. Chairman,

Rights are entitlements that require co-related duties and that the realisation of the Right to Development can be ensured only if the existence of corresponding obligations is acknowledged both at the national and international levels. The realisation of the Right to Development thus requires equitable economic relations, a conducive economic environment and cooperation at the international level. Article 3(3) of the Declaration on the Right to Development provides that States have the duty to cooperate with each other in ensuring development and eliminating obstacles to development. Article 4(1) also talks of the duty of States to take steps, individually and collectively, to formulate international development policies with a view to facilitating the full realisation of the Right to Development.

Developing countries continue to remain starved of resources required for realisation of the Right to Development. More importantly, national boundaries today no longer guarantee that a country is immune to external financial, trade and economic influences and shocks. The work of the UN organizations, agencies and funds and international bodies like the WTO, World Bank, and the IMF needs to be continually improved and adapted to the imperatives of the Right to Development and much more needs to be done at the international level.

This has been recognised repeatedly at the Summits in Vienna, Copenhagen, Cairo, Beijing, Monterrey, Doha, and Johannesburg. In a few months from now, the United Nations will review the implementation of the Millennium Declaration, and progress towards the achievement of the Millennium Development Goals. The Commission on Human Rights should send a strong message that development, facilitated by sound international cooperation is, at the end of the day, a human rights issue.

The Working Group on the Right to Development performs a vital role as a follow-up mechanism to the Declaration on the Right to Development. We are therefore encouraged by the greater engagement of delegations belonging to all regional groups at the last session of the Working Group. We hope that the spirit of dialogue will continue to inform our journey towards operationalising the Right to Development. The first meeting of the High Level Task Force had raised high expectations, but we realize that a long journey begins with the first step. The conclusions and recommendations of the Working Group's last session are a step in the right direction. We should build upon that progress in a purposeful, bold and time-bound manner. To that end we hope that this year the resolution on the Right to Development is adopted by consensus by the Commission.

Thank you.

(iv) Agenda Item 8 : Question of the Violation of Human Rights in the Occupied Arab Territories, Including Palestine.

Mr. Chairman,

West Asia, to use a cliché, is at the crossroads today. Even as they cope with the grievous loss of President Arafat, the Palestinian people have again demonstrated their commitment to democracy. We are at what we

hope will be a long awaited positive juncture in the peace process between Palestine and Israel. For us, a new dawn in this old conflict would bring us the greatest satisfaction. The Summit in Sharm-el-Sheikh on February 8, 2005 and the significant meeting between the leaders of Israel and Palestine after a gap of about four years is an important step in the resumption of the Israel-Palestine peace process and deserves the support of the international community. We have noted the encouraging statements of both leaders. However, a number of important issues remain to be addressed.

We believe that the negotiations should lead to the realization of the inalienable and legitimate right of the Palestinian people to self-determination and a home land and to a just, comprehensive and lasting peace in the region based on UN Security Council Resolutions 242, 338 and the principle of 'Land for Peace'. In recent years, India has extended its full support to the vision contained in UN Security Council Resolution 1397. We fully endorse UN Security Council Resolution 1402 and 1403, which call on both parties to move immediately to a meaningful cease-fire, and for the withdrawal of Israeli troops from Palestinian cities, including Ramallah. We support the peace initiatives of the international community, including the endorsement by the UN Security Council in its Resolution 1515 of the Quartet Roadmap and the call to restart negotiations.

We look forward to further progress in the peace process that would bring about a just and peaceful solution within a reasonable time frame, leading to a sovereign, independent State of Palestine with well-defined and secured borders, living in peace with the State of Israel.

Mr. Chairman,

India has remained steadfastly committed to the cause of the Palestinian people. We voted against the partition of Palestine, and recognised the PLO as the sole and legitimate representative of the Palestinian people. We recognised the State of Palestine in 1988, and opened our Representative Office to the Palestinian National Authority in 1996. During the last decade of the Middle East Peace Process, India has executed a number of projects and programs worth several million dollars, aimed at capacity building and institutional support. This is in addition to regular assistance in the form of student fellowships, technical cooperation programmes and financial support to UNRWA. We have reiterated our

support for the Palestinian people, and conveyed our readiness to assist in whatever way we can to the Palestinian leadership.

The tragic developments in the Middle East are a cause of widespread international concern. The world has watched the incidents of violence in Jerusalem, the West Bank and the Gaza Strip, and other parts of the Palestinian National Authority and Israel with growing consternation. Innocent men, women and children continue to bear the brunt of untold suffering. These events also adversely affect regional stability. The full promotion and protection of human rights require a secure environment and the achievement of a just and comprehensive peace. It is because of this that we have consistently urged an end to violence from all sides. There must be immediate, parallel and accelerated movement towards tangible political progress and a defined series of steps leading to permanent peace involving recognition, normalisation and security between the two sides.

Mr. Chairman,

India is vitally interested in peace, development and stability in the region and stands ready to assist in whatever way we can. It is in recognition of this that the Government of India has recently appointed a Special Envoy for West Asia and the Middle East Peace Process, who has so far visited Egypt, Jordan, Palestine and Israel and held high-level consultations in these countries.

Ultimately, however, it is the parties themselves that have to shoulder the major responsibility for achieving a permanent and lasting solution. There has to be a spirit of accommodation and political will to achieve a just and comprehensive peace. We are encouraged by the recent developments, and hope that the process of dialogue is carried forward in a meaningful manner. Meanwhile, we urge all sides to ensure that human rights standards and international humanitarian law are respected at all times.

(v) Agenda Item 9: Question of the Violation of Human Rights and Fundamental Freedoms in any part of the World

Mr. Chairman,

The agenda item before us is of key importance in our common endeavour to promote and protect human rights around the globe. We, however, need to ask ourselves if our shared objective of promoting and

protecting human rights across the world is best served by the approach that has evolved for the consideration of this item.

Indiscriminate use of Item 9 for the introduction of country-specific resolutions over the years has brought into question the way the Commission functions and not surprisingly has led to sharp divisions in the Commission. This is unfortunate, but not inevitable. Selecting the right approach to achieve our shared objective of promoting and protecting human rights across the world, clearly, is as important as the objective it is intended to serve. It is crucial to the Commission's credibility and effectiveness. The annual ritual of sitting in judgement over others does not move us towards our desired goal.

When this Commission was established by ECOSOC in 1946, it was conceived as a very different body from what it is today. It was envisioned, essentially, as a body for setting standards in different thematic areas relating to human rights. Since then a complex Human Rights structure has emerged around it. Its ever expanding role and, some would add, its increasing intrusiveness into the sovereign space of member states, have led many countries to wonder if the present structure might be doing more harm than good for the cause of human rights.

To be sure, every institution needs to evolve dynamically, to reflect the ever-changing nature of the problems that it is called upon to address. But when the impression gains ground that this complex human rights edifice that has taken shape over the years is really an instrument for advancing the political objectives of those who control its purse-strings, we must recognize that we have a problem. The standards we set for ourselves need to be uniformly applied.

A sequential and calibrated approach is in the end the most durable one. Countries that violate the human rights of their people must first be engaged by the international community in dialogue and persuasion, followed, where necessary and requested, by offers of technical assistance and cooperation that help in national capacity building. The guiding principle has to be that the measures we adopt are proportional to the problems that they seek to address. Additionally, we have to ensure that the twin challenges of limited resources and unlimited expectations that confront the developing countries, which constitute the vast majority of the United Nations membership, are recognized and addressed. Failure to act and willful

disregard for international human rights norms and standards deserve an appropriate response.

The Commission has particular responsibility to act in countries where the will of the people has been deliberately throttled. The organs of the State must protect institutions that foster and nurture the inalienable rights that are a sine qua non for a civilized society – democracy, human dignity, equality, and the free expression of the will of the people. We must therefore distinguish between those societies that cherish and protect these values, and those that are fundamentally opposed to them. Needless to add, these rights are not a matter of charity, but entitlements governed by international law.

Mr. Chairman

We remain steadfast in our view that true respect for human rights can only be assured in a political environment that guarantees democracy and freedom. India's experience in the promotion and protection of human rights is a good example of how democratic organisation of a pluralistic society ensures that human rights are always protected. Our federal and secular polity has witnessed a continuous process of strengthening of democratic institutions. An independent judiciary, steady growth of civil society, consolidation of an independent media, independent Human Rights Commissions at the national and state levels, empowerment of women and other vulnerable and disadvantaged segments of society, programmes to spread literacy, health care and other benefits of socio-economic development – all these collectively constitute the edifice of human rights in India.

We do not claim to be perfect. No country can. Yet, our open and democratic socio-political system has the wherewithal to deal with problems that occur. There are instances where economic and social grievances have manifested themselves. Our approach towards such grievances is to address them through dialogue, strengthen institutions, and intensify efforts at economic development. In some cases problems have been instigated and assisted by inimical external forces. That is why it is important for this Commission to send out the message of zero tolerance to States which deny to their own people basic democratic rights and freedoms, and which, more often than not, have little or no stake in the stability of the international system.

The very same liberties and freedoms which democracies guarantee also tragically make them the most vulnerable to misuse and assault. The challenge from terrorism is one of the gravest threats facing the world. Terrorist acts are frontal assaults on the most basic human rights, life and liberty. It is universally accepted today that there can be no justification whatsoever for any acts of terrorism. It follows therefore that terrorism has to be fought internationally by the community of civilized nations in accordance with the rule of law. This Commission owes a special responsibility to recognize and address the rights of the victims of terrorism.

Mr. Chairman,

Allow me to conclude by reiterating once again our commitment to human rights, human dignity and fundamental freedoms. India will continue to engage constructively with other stakeholders for the promotion and protection of human rights worldwide during this session of the Commission.

(vi) Item 10 : Economic, Social and Cultural Rights.

Mr. Chairman,

The realization of economic, social and cultural rights is indispensable to the dignity of man. The Vienna Declaration and Programme of Action recognizes that all human rights are universal, indivisible, interdependent and inter-related. The international community must therefore, treat them in a fair and equal manner, on the same footing and with the same emphasis.

Experience has taught us that economic, social and cultural rights can best be pursued only in open, free and democratic societies, where government policies mirror the will and aspirations of the people. The whole purpose of democratic government is to eliminate poverty and give to every citizen the opportunity to be educated, to learn a skill and to be gainfully employed. The Government holds that it is its sacred duty to empower the poor and eliminate the scourge of poverty.

It is in keeping with this philosophy that in his address to the Parliament in February 2005, the President of India outlined an overarching vision to give rural India a new deal. The Government's new vision envisages total eradication of poverty, excellent and affordable opportunities for education and skill development for all citizens, health care for all and

sanitation coverage and generation of higher income levels for all. *Bharat Nirman*, as the plan is called, has been conceived as a business plan, to be implemented over a period of four years, for building infrastructure, especially in rural India. It will have six components, namely, irrigation, roads, water supply, housing, rural electrification and rural telecom connectivity. In each of these areas, the Government has set itself bold targets to be achieved by the year 2009. The Government believes that rural India should be seen as a growth engine and is determined to channel public investment in the area of rural infrastructure so as to unleash its growth potential.

Mr. Chairman,

Even prior to India's accession to the Covenant on Economic, Social and Cultural Rights the importance of economic, social, and cultural rights was recognized in our Constitution which contained a separate section on the Directive Principles of State Policy. At the broadest level, they call upon the state to strive to promote the welfare of the people by securing and protecting, as effectively as it may, a social order in which social, economic and political justice would inform all the institutions of national life. Over the years, in a series of landmark judgements, the Indian Supreme Court has ruled that the "Directive Principles" must be "read into" the Fundamental Rights, as the two sets of rights are complimentary to each other. The Supreme Court also ruled that the right to life, enshrined in the Constitution, includes within it the right to live with human dignity and all that goes with it, including the necessities of life, such as adequate nutrition, clothing, shelter and basic education. The 86th Constitution Amendment Act – which makes free and compulsory education for children between the age group of 6 to 14 years a fundamental right – has come into force. This is a historic step towards the realization of the universal right to education in India.

The practical realisation of the rights enshrined in the Covenant, of course, depends on the stage of development of a country. As India's economy grows, an increasing amount of resources are becoming available to the state for the realization of economic, social and cultural rights of each and every individual. In this context it is unfortunate that the debate over the role of international cooperation in the progressive realization of these rights should continue after so many years. Article 2 of the Covenant recognizes clearly that each State Party undertakes to take steps, individually and through international assistance and cooperation, to achieve progressively

the full realization of the rights recognized in the Covenant. The success in the progressive realisation of ESC Rights at the national level therefore depends to a large extent on effective international cooperation. Requisite resources to developing countries and the creation of a conducive international economic environment for realisation of the ESC rights of their citizens is a joint responsibility.

Multilateral institutions can play a major role in maximising the benefits of trade and globalisation while minimising their risks. The international trade regime must create possibilities for human development, and provide developing countries with policy flexibility to make institutional and other innovations. These issues have a direct bearing on employment, education, public health, movements of capital and labour and ownership of access to technology - all of which have an important bearing on the realisation of ESC rights.

Mr. Chairman,

The Working Group to consider options regarding an Optional Protocol to the Covenant on Economic, Social and Cultural Rights has so far held two sessions. My delegation believes that it is premature to consider a legally binding complaints mechanism at the international level, akin to the complaints mechanism under the Covenant on Civil and Political rights. The international framework for Civil and Political rights evolved over several centuries and embodies the experience of a number of democratic countries. Concepts and ideas related to economic and social rights, on the other hand, have engaged the global community for just over fifty years.

There is, also, no clear standard against which to measure a member state's obligation of "progressive realization" based on the "maximum of its available resources". The absence of a precise standard makes monitoring of compliance at the international level virtually impossible. That is why we believe that this aspect of the ESC rights is best handled in the framework of the legal and judicial systems of each country. Only when we reach a measure of development homogeneity globally, would it be meaningful to seriously embark on an international protocol on a complaints mechanism.

Finally, we would encourage the High Commissioner for Human Rights to continue her efforts to enhance the visibility of economic, social and cultural rights, and accord them the priority they deserve.

(vii) Agenda Item 11 : Civil and Political Rights

Mr. Chairman,

Civil and political rights represent the cornerstone of the international edifice of human rights. The extent of civil and political rights enjoyed by the citizens of a state, defines the essence of a society, impacting as it does on virtually every aspect of life. The enjoyment - or denial - of these rights shapes the way people think, their attitudes, the way they relate to each other, their entire value system. More than anything else, civil and political rights shape a nation.

India won its independence at a time when the Universal Declaration of Human Rights was taking shape. The framers of our Constitution were enlightened visionaries, with a deep concern for human values. Our founding fathers were determined to establish a political framework in which the most basic aspiration of the people – the aspiration to live with freedom and dignity – would be secure, guaranteed to withstand any attempt at infringement. That guarantee has stood firm for over fifty-five years.

I would like to quote in this context, from a recent speech by Prime Minister Manmohan Singh. He said, and I quote:

“Our Nation was built on the foundations of a deep and abiding commitment to the values of liberal, social democracy. Pluralism, secularism, multi-culturalism and the principles of equity, social justice and the rule of law are core values of our civilization and the bedrock of our Republic.

If there is an “idea of India” by which India should be defined, it is the idea of an inclusive, open, multi-cultural, multi-ethnic, multi-lingual society. I believe that this is the dominant trend of political evolution of all societies in the 21st century. Therefore, we have an obligation to history and mankind to show that pluralism works”.

We have never accepted the argument that some have tried to make - that there was an implicit trade-off between civil and political rights on the one hand, and economic, social and cultural rights on the other. On the contrary, we see democracy, and the values and principles that go with it, not as an obstacle to the fight against poverty and the development of the country, but as the only durable and sustainable framework within which the welfare of the people can be ensured.

It is doubtless true that lack of adequate resources and insufficient national capacity in developing countries handicaps the ability of the state to secure for its people the full enjoyment of the fruits of civil and political rights. But that certainly does not mean that restricting civil and political rights is necessary for economic and social advancement.

No one, of course, would claim that democratic societies are necessarily beyond reproach on each and every issue relating to the protection and promotion of civil and political rights. That would be an impossible standard for any country to meet. But with the safeguards provided by the institutions of a democratic society, including an independent judiciary, a free press, an alert and vibrant civil society unafraid to question the government's actions and highlight its perceived failures, democracies are far less likely to tolerate abuses of human rights than societies which are closed, authoritarian and devoid of a system of checks and balances.

Mr. Chairman,

India has been a victim of terrorism for over 20 years. Terrorism and its backers seek to exploit the freedoms available in democratic societies. These freedoms are viewed by some of them as legitimate instruments to take advantage of. Terrorism has emerged as a truly global threat. The fact is that no cause, no religion, no ideology, no so-called struggle justifies terrorism. Grievances, real or imaginary, cannot be addressed at the point of a gun. Terrorists are the biggest violators of the most basic of human rights, the Right to Life. Their objective is to instill fear, their tactic is to intimidate. Democracies must rally against this international menace, and must treat states that sponsor terrorism as global pariahs. Effective domestic measures to counter terrorism must be supplemented by sustained international cooperation, particularly through a strong and effective legal regime. We have a common stake in protecting democracies.

As our Prime Minister observed in the same speech I referred to earlier :

"While all democratic societies do face internal challenges for a variety of reasons, the particular advantage of democracies lies in their ability to handle such situations with maturity. Our own experience has shown us that democratic methods yield the most enduring solutions to the most intractable problems. Authoritarian responses cannot solve the real problems

of the people or make life worth living. They merely contain the fall-out often for very limited periods of time; and with possible negative consequences that make the remedy worse than the disease”.

Before concluding I would like to touch upon an aspect of our functioning that is a matter of concern to our delegation. The edifice of mechanisms, special procedures, and international instruments that we have created over the years is today in need of rationalization. Instead of consolidating our gains, we seem to be moving in the direction of further proliferation and duplication of mandate holders and instruments. This may satisfy certain domestic agendas, but it is doubtful whether such proliferation serves the cause of human rights. It is imperative that new initiatives are based on thorough analysis, and are aimed at filling genuine gaps in international human rights law.

Thank you.

(viii) Agenda Item 12 : Integration of the Human Rights of Women and the Gender Perspective

Mr. Chairman,

India ratified the Convention on the Elimination of All Forms of Discrimination Against Women in 1993. In addition it has ratified other international instruments dealing with women's rights. Our national commitment to women's rights, however, dates back to the time when independent India adopted its Constitution adopted in 1950. The Constitution was path breaking, not only by the standards of the newly independent countries, but also of many of the developed countries, in its focus on the emancipation of women and removal of all forms of discrimination against them,. The guaranteeing of equal rights and privileges for women by the Constitution marked the first step in the journey towards the transformation of the status of women in India.

Our approach to women's rights has rested on the belief that the progress of any society is dependent on its ability to protect and promote the rights of its women. As a result of concerted efforts and a comprehensive policy framework over the last five decades there have been significant advances in the socio-economic indicators for women. These include a considerable rise in life expectancy at birth, increase in mean age at

marriage, and decline in the female death rate. Most importantly, there has been an increase in the female literacy rate from just under 30% in 1981 to over 54% in 2001, and for the first time, the absolute number of female illiterates has shown a decline in the 2001 Census. Other indicators such as the Gross Enrolment Ratio for girls at primary and middle levels, number of women in higher education, and the female work participation have also shown a marked positive trend.

Empowerment of women is critical for the socio-economic progress of any country. The 73rd and 74th Constitutional Amendments were enacted in 1993 to provide for reservation of seats for women in the democratic institutions at the village and local levels, and have laid a strong foundation for the participation of women at the decision making levels. In addition, several programmes have been put in place for the empowerment of women through mobilization, organisation and awareness generation, so as to enhance the self-confidence of women within the household and community and grant them access to resources from various available and new sources.

The National Commission for Women was set up by an Act of Parliament in 1990 to safeguard the rights and entitlements of women in the country. The National Commission is responsible for the study and monitoring of constitutional and other laws relating to women, review of existing legislation and investigating complaints concerning the rights of women. In order to discharge its functions, the Commission has the powers of a civil court to take evidence and issue summons. The chairperson of the National Commission for Women is deemed to be a member of the National Human Rights Commission for the discharge of certain human rights functions. Ever since its existence the Commission has produced legal literacy manuals to educate women in their basic rights.

It is equally our conviction that education is key to the advancement of women. The spread of liberal education and values has unleashed forces for social reform and created awareness about the need for increased participation of women in the educational, social, economic and political life of India. The care of the girl child in the areas of health and nutrition, education and economic potential constitutes a major focus of state policy. The 86th Constitution Amendment Act – which makes free and compulsory education for children between the age group of 6 to 14 years a fundamental right – has come into force. This is a historic step towards the realisation of

the universal right to education in India, which will also have a profound effect on the girl child.

Comprehensive efforts have also been underway to secure gender justice by substantially increasing coverage of programmes for affirmative action, campaigns for equal rights to women in property, credit facilitation, income generating opportunities, provision of support services like day care facilities, crèches, hostels for working women, etc. Specific provisions for women from the vulnerable sections of society have been made in the Prevention of Atrocities Act of 1989 and the Prevention of Atrocities Rules of 1995. States and Union Territories have been asked to formulate specific schemes under the Special Component Plan for the development of women from the vulnerable sections in the field of education, housing, drinking water supply facilities and also ownership rights on assets.

Mr. Chairman,

The Government of India adopted a National Policy for Empowerment of Women in 2001 to guide the approach to the empowerment of women in the Tenth Plan period from 2002 to 2007. An allocation of over 3 billion US dollars has been made for this period for the Department of Women and Child Development, the largest for any single department in the Government of India, for the implementation of the Plan. The main components of the action plan are:

- Creating an environment, through positive economic and social policies, for the development of women to enable them to realise their full potential;
- Ensuring the de jure and de facto enjoyment of all human rights and fundamental freedoms by women on par with men in all spheres;
- Providing equal access to participation and decision-making for women in the social, political and economic life of the nation;
- Ensuring equal access to women to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety, social security and public office;
- Strengthening legal systems aimed at the elimination of all forms of discrimination against women;

- Changing societal attitudes and community practices by active participation and involvement of both men and women;
- Mainstreaming a gender perspective in the development process;
- Building and strengthening partnerships with civil society, particularly women's organizations, corporate and private sector agencies.

In addition to the role of the State and the constitutional provisions that exist, the judiciary has played a key role in the advancement of gender justice in India, including through the mechanism of public interest litigation which has taken deep roots in the country. The Supreme Court of India has delivered landmark pronouncements on matters such as the need for equal property rights for women, particularly in case of inheritance and sexual harassment at the workplace. In addition, civil society groups have played a key role in raising awareness about women's rights.

These multi-pronged efforts across the length and breadth of the country by a variety of stakeholders are having a visible impact on the status of women in India by facilitating their growing participation on an equal footing in the affairs of the nation. We therefore attach special importance to this agenda item and believe that it has a pivotal role to play in the advancement of all human rights. Thank you.

(ix) Agenda Item 13 : Rights of the Child

Mr. Chairman,

India has the largest child population in the world. This brings with it huge responsibilities to protect their rights and prevent exploitation in all its forms, as well as unlimited opportunities to create a better future for the coming generations of young Indians. It is in recognition of this that in addition to having acceded to the Convention on the Rights of the Child, India has since the last session of this Commission signed both the Optional Protocols to the Convention.

India's commitment to the rights of the child is enshrined in our Constitution. One of the Directive Principles of State Policy contained in the Constitution states that the State shall, and I quote, ensure that children are given opportunities and facilities to develop in a healthy manner and in

conditions of dignity and that childhood and youth are protected against exploitation and against moral and material abandonment, unquote. The Common Minimum Programme of the Government pledges that the government will protect the rights of children, strive for the elimination of child labour, ensure facilities for schooling and extend special care to the girl child.

Mr. Chairman,

India has one of the most comprehensive legal regimes for the protection of children. Among the several laws in place is the Juvenile Justice Care and Protection of Children Act 2000 which aims at providing proper care protection and treatment by catering to the development needs of children, and adopting a child friendly approach in the adjudication and disposition of matters in the best interest of children and for their ultimate rehabilitation through various institutions established under the Act. The Act provides several safeguards for juveniles in conflict with law and for children in need of care and protection.

The Constitution (86th Amendment) Act has made free and compulsory education a fundamental right for all children in the age group of 6-14 years.

The Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 has been amended in 2003 to provide for the prohibition of sex selection, before or after conception, and more stringent enforcement.

In addition, our national policies have seen rapid progress since independence and we have tried to provide maximum outreach for our programmes for children. A National Charter for Children has been recently adopted which is a statement of intent embodying the Government's agenda for Children. The National Charter emphasizes India's commitment to children's rights to survival, health and nutrition, standard of living, play and leisure, early childhood care, education, protection of the girl child, equality, life and liberty, name and nationality, freedom of expression, freedom of association and peaceful assembly, the right to a family and the right to be protected from economic exploitation. The document also defines commitments to children in difficult circumstances, children with disabilities, children from marginalized and disadvantaged communities and child victims.

Our experience is that poverty is the greatest enemy of children. To address this problem the following direct intervention programmes are currently under implementation:-

An integrated Programme for Street Children, with the aim of preventing destitution of children and facilitating their withdrawal from life on the streets. The programme is targeted towards children without homes and family ties, especially vulnerable to abuse and exploitation.

- An integrated Programme for Juvenile Justice, to provide care to children in difficult circumstances and children in conflict with the law through Government institutions and NGOs.

- A programme for rehabilitation of working children and for elimination of child labour. National Child Labour Projects have been set up in different areas to rehabilitate child labour under which special schools are being established to provide non-formal education, vocational training, and supplementary nutrition to children withdrawn from employment. 100 Child Labour Projects have so far been sanctioned and 150,000 children have already been mainstreamed in the special schools. The resources allocated to the programme have more than doubled to over 130 million US dollars in the current 10th Plan, with coverage of 250 districts.

Mr. Chairman,

Being a vibrant democracy, change necessarily takes place in an environment of consensus and participation of the people. This process may be time consuming, but the results are resilient and sustainable. Our achievements vis-à-vis all indicators for children over the past decade have been positive if not total. As a pluralistic society, we are committed to bringing about attitudinal change through decentralized, democratic means and a complementary and dynamic partnership with social activists and grassroots field workers, and participation of civil society.

(x) Agenda Item 14 : Specific Groups and Individuals

Mr. Chairman,

The protection of the rights of persons belonging to minorities is a fundamental responsibility of all States.

Given the immense diversity of India, with its many religions,

languages and cultures, it is not surprising that there are as many minority groups in our country as there are possible classifications based on identifying characteristics. Our heritage is one of inclusion. In keeping with this heritage our founding fathers enshrined in our Constitution ideals that ensure that all citizens of India have an equal opportunity to develop, by securing for themselves social, economic and political justice; liberty of thought, expression, belief, faith and worship; and equality of status and opportunity. These principles form the bedrock of India's pluralistic society. Our respect for the individual underpins our commitment to safeguarding the rights of every human being, irrespective of race, religion, sex or other defining characteristic.

The National Commission for Minorities was constituted in 1993. The Commission is vested with broad statutory powers for the effective implementation of safeguards provided under the Constitution for the protection of interests of minorities and for making recommendations in this regard to the Central and State Governments. The Commission looks into the welfare of minorities, and has the powers to examine specific complaints regarding the deprivation of rights and safeguards of minorities. It is both a monitoring and standard setting body with powers to receive complaints.

Mr. Chairman,

India is home to all major religions of the world, including the second largest Muslim population in the world. Secularism is a fundamental tenet of the Indian Constitution and political system. Every religious denomination has the right to establish and maintain institutions for religious, educational and charitable purposes, to manage their own affairs in matters of religion, to own and acquire property and to administer such property in accordance with law. No religious instruction can be imparted in any educational institution wholly maintained out of State funds and no person attending any educational institution recognised by the State or receiving aid out of State funds can be compelled to take part in any religious instruction without his or her consent. All persons are equally entitled to freedom of conscience and the right to freely profess, practice and propagate religion. Citizens residing in India have the right to conserve their distinct language, script or culture.

It is keeping with the above approach that we believe that any resolution which this Commission adopts on the subject of religious tolerance

must respect all religious faiths and beliefs, be inclusive, and not result in the creation, intended or unintended, of any hierarchy.

Mr. Chairman,

The values of tolerance and pluralism are universal in nature. Their advancement by the United Nations system and this Commission will contribute significantly to the promotion and protection of human rights within and among societies. It is in keeping with this approach that India tables a biennial resolution on 'Tolerance and Pluralism as indivisible elements in the promotion and protection of human right'.

Differences in society are only natural. Whenever problems occur solutions to them have to be found within a democratic framework: by establishing firm foundations of equality and non-discrimination, strengthening legislation, raising public awareness, and concerted action by civil society and the media. The challenge is to address such differences through dialogue and empathy. The recrudescence of various forms of exclusivism, bigotry, hatred and intolerance is particularly worrying, as are extremism and violence in the name of religion. Such developments present challenges to the entire civilised world, which must be met with firm resolve.

Mr. Chairman,

The Working Group on Minorities has developed into an important forum for the examination of problems being faced by minorities and identifying solutions for such problems. We should continue to support its work, and strengthen it where needed. The issue of creating new mechanisms requires careful deliberation. In view of the limited material and financial resources available we should first consolidate what we have, and ensure that our decisions do not result in duplication of efforts. Above all, we have to recognize that there is no substitute for the creation of strong and resilient domestic institutions and safeguards. In our view, the international community's efforts should be directed at building national capacities to allow states to effectively deal with minority issues.

Mr. Chairman,

We welcome the focus of the Office of the High Commissioner for Human Rights on the human rights of persons with disabilities. There is a strong legal framework in our country for empowerment of persons with

disabilities. In 1995 India enacted a landmark legislation in this regard – the Persons with Disabilities Act - to ensure that people with disabilities enjoyed equal opportunities. India will continue to take an active part in the Working Group to prepare a Convention for the Promotion and Protection of the Rights and Dignity of Persons with Disabilities.

We have noted the Report of the Representative of the Secretary General of the human rights of internally displaced persons, and the direction in which he plans to take his mandate. It is timely to emphasize that the primary duty and responsibility of protecting and assisting IDPs is that of the State concerned. International action in relation to IDPs should remain within the bounds of sovereignty and should be taken at the request of and with the consent of the country concerned. The Guiding Principles on IDPs, which do not enjoy inter-governmental approval, are not legally binding and at best may serve as useful guidelines for states when required.



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