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Lesson No.

- 2.1 : Association of South East Asian Nations (ASEAN) – Concept, Objectives, Features, Problems and Achievements
- 2.2 : Shanghai Cooperation Organization(SCO)
- 2.3 : BIMSTEC
- 2.4 : South Asian Association For Regional Cooperation (SAARC)
 - (i) Concept, Objective, Features
 - (ii) Problems and Achievements

Department website : www.pbidde.org

LESSON NO. 2.1

ASSOCIATION OF SOUTH-EAST ASIAN NATIONS (ASEAN)

Introduction :

ASEAN stands for the Association of South East Asian Nations. It was formed in Bangkok in 1967. There are 10 members in ASEAN. They are Brunei, Cambodia, Laos, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. The ASEAN region has a population of more than 500 million with an annual trade worth US\$720 billion. The HQ of ASEAN is located at Jakarta (Indonesia). The dialogue partners are India, Australia, China, Canada, USA, EU, Japan, Korea, New Zealand and Russia.

Objectives of ASEAN :

The key objectives of ASEAN are :

1. Economic cooperation among the member countries. This includes free trade with the member countries.
2. In addition, economic trade and cooperation with dialogue partner countries.
3. Security of the member country and the region.
4. Sub-regional cooperation.
5. Create haven of peace and stability in the Asia-Pacific.

ASEAN Summits :

A total of nine ASEAN summits have been held so far since the inception of ASEAN in 1967. The important aspects of these summits are discussed in succeeding paragraphs.

Treaty of Amity and Cooperation (TAC) :

Based on security concerns for the region. The Treaty of Amity and Cooperation (TAC) was adopted at the Bali Summit in 1976. A member has to accede to TAC to join the group. It lays down the country's commitment to the principles of amity and cooperation, in consonance with the spirit of consensus practiced by ASEAN. The main intention is to avoid conflict or confrontation.

ASEAN Regional Forum :

In 1994, the ASEAN REGIONAL FORUM (ARF) was created by ASEAN as a larger platform to discuss security issues relating to the Asia-Pacific region. It became the security plank of the Asia Pacific Economic Cooperation (APEC) forum, which has 18 members

A.) Ninth ASEAN Summit (Held in Bali, Indonesia, October, 2003)

The following important points emerging from the Ninth ASEAN Summit held

in Bali in Indonesia :

1. **ASEAN Security & Economic Community** : The ASEAN decided to set up an ASEAN Security Community and an ASEAN Economic Community. A third element of the ASEAN Community will be the ASEAN Socio-Cultural Community. It was decided that ASEAN ECONOMIC Community will be setup by the year 2020.
2. **Support to the Myanmar Government** : In this Bali Summit, the ASEAN welcomed the recent positive developments in Myanmar and the Myanmar Government's pledge to bring about a transition to democracy through dialogue and reconciliation.
3. **UN Should Play a Central Role in Iraq** : The leaders of ASEAN reaffirmed their position that the UN must continue to play a central role in the reconstruction and rehabilitation of Iraq.
4. **Concern over Terrorist Attacks** : The ASEAN leaders expressed great concern at the terrorist attacks in Jakarta in Indonesia and the UN headquarters in Iraq.

Pact with China :

The ASEAN signed a pact with China. The main points of the pact are as follows :

1. The ASEAN signed a Joint Declaration on Strategic Partnership for Peace and Prosperity with China.
2. China also acceded to the ASEAN Treaty of Amity and Cooperation (TAC).
3. The strategic declaration is non-aligned, non-military, and non-exclusive and does not prevent the participants from developing their all-directional ties of friendship and cooperation with others countries.
4. China has a major dispute over the Spartlys in the South China Sea with key countries of ASEAN .
5. With an eye on the eventual establishment of an ASEAN-China free trade area, the two sides i.e. ASEAN and China.

B.) Significance of the Pact with China :

- 1) With the signing of Strategic Partnership for Peace and Prosperity with China, the ASEAN hoped that the strategic partnership would help in the peaceful resolution of disputes between China and some member countries of the ASEAN over the political and constitutional status of the Spartlys Islands in South China Sea.
- 2) In today's world which is undergoing complex and profound changes, the enhanced cooperation between ASEAN and China as two important partners in Asia-Pacific region, will serve the immediate and long-term interests of both sides and it will be conducive to peace and prosperity in the region, according to the ASEAN declaration.
- 3) China also feels that its accession to the TAC would be conducive to long-term stability and development in the relations between China and ASEAN

as well as maintaining peace and stability in the region.

Latest Developments in ASEAN :

- a. **Dynamic Group** : The ASEAN has emerged as a dynamic regional group. It acquired considerable clout in multi-lateral trading system and in other global forums because of its sustained high growth rate.
- b. **Financial Crisis** : The reason for the crisis was the massive flow of capital away from these markets with proportion of non-performing assets rising in the portfolio of banks. This resulted in rapid loss of confidence on the part of investors and led to decreasing stock prices and devaluation of local currencies. The IMF helped the affected countries to steady their economies.

Problems faced by ASEAN :

- a) Regional Economic Crisis
- b) Ecological Disasters
- c) Bilateral Disputes
- d) Concerns About Human Rights
- e) Movement of Illegal labour across member state boundaries
- f) The ethnic minorities targeted in the wake of economic crisis in Indonesia

Indo-ASEAN Relations :

1. Look East Policy : India's "Look East" policy was initiated in 1991 by former Prime Minister, Mr. Narasimha Rao. It coincided with India's economic reforms and it stressed on engaging more with its East Asian neighbours. The aim of India was to get key countries of the region interested in India's potential as an investment destination.

2. Redefining Neighbourhood : India is now conceptually redefining its neighbourhood. It now sees South-East Asia as a core part of its neighbourhood. It is also building ties with the countries of Bay of Bengal rim under the framework of BIMSTEC (Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation).

Background to Indo-ASEAN Relation :

a. Strategic and Economic Importance :

- a. The Association of South-East Asian Nations (ASEAN) is important to India for security and strategic reasons as well as for commercial, economic and cultural reasons. ASEAN is pivotal to India's "Look East Policy", according to former Prime Minister, Mr. Atal Bihari Vajpayee.
- b. The air, land and trade routes pass through the region which are of vital importance to India.
- c. Brunei, Indonesia, Malaysia and Myanmar are endowed with energy resources.
- d. India and the ASEAN nations are rich in agriculture, raw materials and natural resources. Thus the broad-based economic cooperation with ASEAN can have positive impact for India.

Emerging Economic Bloc : ASEAN which links 10 South east Asian countries is seen by India as an emerging economic bloc for expanding trade ties with them.

Shares Land and Maritime Boundaries with ASEAN : Since the entry of Myanmar, India shares land and maritime boundaries with the ASEAN region. India has a stake in the peace and stability of the region.

Engagement with ASEAN Based on Stability and Collective Security : India's engagement with ASEAN must grow steadily. There is an obvious growth potential within the economic arena but concern about China in this region provides the impetus, according to some analysts. However, engagement with ASEAN must be based on larger consideration about the stability in Asia and the existing common military and non-military threat.

4. **India's Importance to ASEAN :**

India's Advantage in IT and Pharma Technologies : India can offer ASEAN investments and IT (Information Technology) and pharma technologies among others traders. India has comparative advantage in services, software and in knowledge-based manufacturing.

Access to India's Large Consumer Market : The ASEAN economies will benefit by getting access to vast Indian consumer market.

Mutuality of Strategic Interest : Some of the ASEAN countries like Indonesia, Philippines, Thailand and Singapore have become vulnerable to terrorism, many aspects of which have a bearing on the terrorist scourge facing India. Hence, there is mutuality of strategic interest between India and the ASEAN.

Common threats faced by India and the ASEAN include drug trafficking, piracy at sea, smuggling and terrorism.

A large number of analysts point out that the strategic importance of India and the ASEAN will surely results in the major powers of the world being interested in the stability of the region.

India's Relations with ASEAN

1. **Indo-ASEAN Relations Suffered during the Cold-War Period :** Indo-ASEAN relations suffered during the Cold-War period due to differing perceptions on different issues. India was always inclined towards the former Soviet Union whereas the ASEAN was pro - USA and China.

2. **Improvement in Relations after Economic Liberalization by India :** In 1991, when India adopted the economic liberalization programme, trade with individual ASEAN countries increased manifold.
3. **Sectoral Dialogue Partner :** In 1992, India was allotted the sectoral dialogue partner status by the ASEAN. The dialogue focused on structuring economic and technological cooperation between India and the ASEAN.
4. **Dialogue Partner :** In 1995, India was allotted the status of full-fledged dialogue partner. This allowed India to be a regular participant in the annual dialogue sessions and the ARF that discusses security issues.
5. **ASEAN-Indian Summits :** From 2002 onwards Indo-ASEAN annual summit meetings have been institutionalized as a formal structure of the ASEAN's annual process.

FIRST ASEAN-INDIA SUMMIT :

The first ASEAN-India Summit was held in Phnom Penh (Cambodia) from 4 to 6 November, 2002. India's Prime Minister, Atal Behari Vajpayee, attended the Heads of the State Summit. It was decided that the Indo-ASEAN Summit will now be held annually.

SECOND ASEAN-INDIA SUMMIT (Bali, Indonesia, Oct. 2003):

1. Indian Prime Minister's Significant Visit to ASEAN :

In October 2003, India's Prime Minister, Atal Behari Vajpayee again participated in the Second ASEAN-India summit in Bali, Indonesia and also visited Thailand.

This was the first visit by an Indian Prime Minister to the ASEAN countries after a gap of more than a decade. India's Prime Minister also held bilateral meetings with leaders of China, Indonesia and other countries of the region. Some Analysts feel that such meetings on the sidelines are important as they lend a profile to a country's diplomacy.

2. Accords Signed :

- a. **Framework Agreement towards a Free Trade Area (FTA) by 2011.**
- b. **Joint Declaration Against Terrorism.**
- c. **India's Accession to the ASEAN Treaty of Amity and Cooperation**

(TAC).

The following Accords were signed in the Second ASEAN-India Summit at Bali in October 2003 :-

1. Free Trade Area (FTA) :

- a) Negotiations on the FTA in goods will commence from January 2004 and will conclude on June 30, 2005.
- b) Tariff reductions will begin from January 1, 2006.
- c) The exchange of tariffs on an agreed common list of 105 items based on

full reciprocity between India and the ASEAN-6 (Singapore, Thailand, Indonesia, Malaysia, Brunei and the Philippines) will take place within three years.

- d) While India will remove tariffs on these items within three years for Cambodia, Laos, Myanmar and Vietnam (CLMV), these countries will do so for India in however the next six years.
- e) India will also offer unilateral tariff concessions to the CLMV nations on 111 items based on their levels of development to improve their market access to India.
- f) In 2011, India and the ASEAN-6 will mutually eliminate tariffs. India will also eliminate tariffs for the CLMV while they will do so for India in the year 2016.

b. Joint Declaration Against Terrorism : The Joint declaration vehemently terrorism in all forms, the declaration also identified the main areas of cooperation condemned as : information exchange, cooperation in legal matters, free cooperation in enforcement matters as well as document and identity fraud.

India's Accession to the TAC :

- 1) According to India's Foreign Secretary, Kanwal Sibal, India's accession to the ASEAN Treaty of Amity and Cooperation (TAC) was an additional step in its "Look East Policy" of India.
- 2) The treaty of Amity and Cooperation reflected India's desire for closer cooperation with ASEAN as well as its determination to cooperate in the maintenance of peace and stability in South-East Asia.
- 3) The TAC was a political step to foster close and comprehensive cooperation between India and ASEAN. The Treaty of Amity and Cooperation was also compatible with the UN Charter and the five principles of Panch-sheel, according to Mr.Sibal.

India's Offer to ASEAN :

The then Indian Prime Minister, Mr. Atal Bihari Vajpayee, mooted the idea of a broad Asian Economic Community, which would include ASEAN-10, China, Japan, Korea and India. Such a grouping could be a new engine of growth.

Mr. Vajpayee went a step further offering a unilateral 'open skies arrangement' to specified South-east Asian airlines, which will be free to operate daily flights to the Indian metropolitan cities, outside any bilateral aviation pact.

The Significance of the Accords :

a) Give Greater Content and Depth to India's Look East Policy :

According to India's Foreign Secretary, Kanwal Sibal, the three accords signed by India and the ASEAN give greater content and depth to India's "Look East Policy".

b) Expanding the Economic Linkages Within the Region :

- i. The then Indian Prime Minister, Atal Bihari Vajpayee pointed out that the

FTA signed with ASEAN demonstrated India's ability and political will to deliver on its commitment to expand economic linkages within the South-east Asia region.

- ii. The FTA will create a combined market of 1.6 billion people in the region.
- iii. According to analysts the signing of the Free Trade Area (FTA) agreement with the ASEAN, India has recognized the need to move forward on the regional front through established regional trading blocs.

c) Counter-Terrorism Cooperation :

The analysts point out that the counter-terrorism accord is significant as it comes at a time when some of the ASEAN members like the Philippines, Indonesia and Singapore have felt the negative impact of terrorism and look to India for Support to meet the challenges of terrorism on this front.

Significance of the ASEAN-India Summits :

- a. **Recognition of India as an Emerging Power :** The analysts point out that ASEAN's willingness to engage India at this time reflects the recognition of India as an emerging global power- both in terms of economic interests as well as regional security considerations.
- b. **Institutionalizing the Dialogue Process is Significant for Development of Ties :** The ASEAN-India annual summit is a significant step in institutionalization of dialogue as formal structure of the ASEAN's annual processes. The process of institutionalization is a significant step in the development of ASEAN's ties with its summit partners.

Strengthening Geo-Political Ties Through Economic Endeavour :

- a. The agreement to work towards a Free Trade Area and enhance economic cooperation in different sectors was the highlight of the interaction at the summit.
- b. The agreement on the FTA is in the direction of strengthening geo-political ties in the region through economic endeavour.
- c. The focus is on fine-tuning the network of economic linkages between India and the ASEAN, which together account for a GDP of the order of \$1.5 trillion.
- d. Indo-ASEAN trade is set to grow from \$12.5 billion in 2003 to \$30 billion in 2007.

Mutually Beneficial Cooperation on Countering Terrorism :

- a) India's exchanges with the ASEAN on global and regional terrorist threats will be relevant to both sides.
- b) After September 11,2001 incident in USA, South-east Asia has emerged as a hub of terrorism and increase of activities of terrorism many fold.
- c) The governments of ASEAN nations have been concerned at the reported linkages between the local terrorist groups and Al-Qaeda.

India's Benefits of Cooperation with ASEAN :

- a) Cooperation with ASEAN will help in stabilizing relations with China.
- b) Overcoming limitations of the lack of progress in the SAARC.
- c) Accords signed and the ASEAN but also between ASEAN and India's neighbours like Bangladesh, Sri Lanka, Nepal and Bhutan.

Conclusion :

1. Balance of Power in the Region : Analysts point out that a closer relationship with ASEAN is vital for India to balance China's growing economic and political power in the region. With the declaration of North Korea's nuclear weapons programme, the security scenario in south-east Asia has gained prime significance. The perceptions of the ASEAN countries vis-à-vis China will be balanced by India as a significant player in maintaining regional balance.

2. Mutually Beneficial Ties : India is keen to integrate with the ASEAN as SAARC is a non-starter and India wants to be a part of regional trade bloc. ASEAN, on the other hand, wants a country like India with a massive investment and market potential as force to counteract the growing influence of China in the region.

3. Global Implications for India : India's engagement with ASEAN should be based on the fact that if India has to be taken seriously as a growing power in the region then it must widen its foreign policy sphere. According to Analysts, India should assume greater responsibility in strategically important regions like South East Asia. Thus India's positive engagement with ASEAN has global implications.

4. ASEAN's Understanding of India's Security Needs : A Majority of the Analysts opinion that India's accession to the Treaty of Amity and Cooperation (TAC) in South East Asia and its endorsement of the South East Asia Nuclear Weapons Free Zone (SEANWFZ) has assured the region of India's intent. The ASEAN now understands India's security needs as a factor emanating from the compulsions of the geopolitical position that India Holds, rather than being derivative of any hegemonic designs.

5. Reinforcing Sub-Regional Cooperation : Finally, ASEAN-India dialogue will also help in reinforcing India's efforts in sub-regional economic cooperation like the BIMST-EC (Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation) and Mekong Ganga Cooperation in which India and five ASEAN nations namely Cambodia, Laos, Myanmar, Vietnam and Thailand are associated.

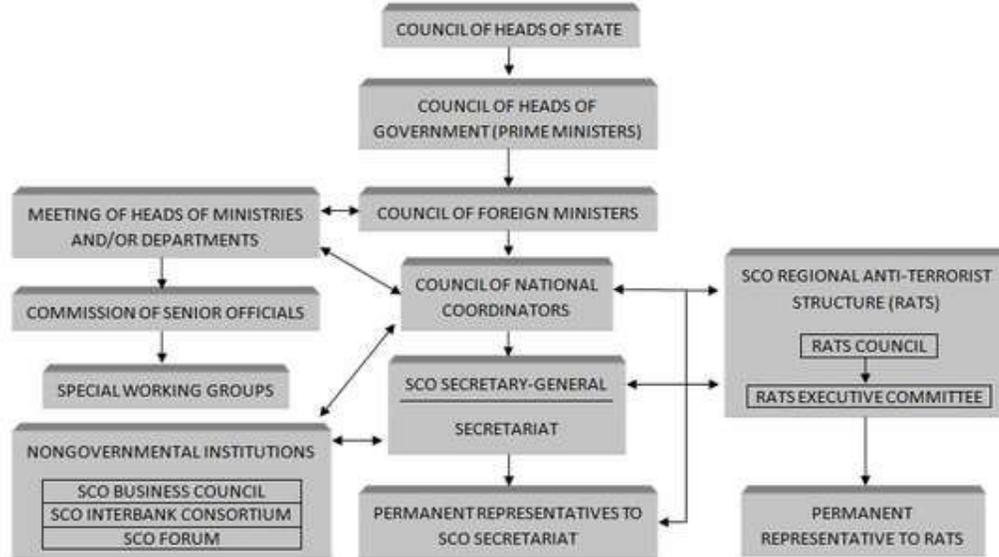
SHANGHAI COOPERATION ORGANISATION (SCO)

INTRODUCTION:

BACKGROUND OF SCO: Regional cooperation has been present in Asia and Eurasia as well. Countries of this region are part of regional organizations such as the South Asian Association for Regional Cooperation (SAARC), Economic Cooperation Organization (ECO) and the Commonwealth of Independent States (CIS). However, the level of cooperation is well below potential, whereas the scope of these organizations leaves much to be desired. The Shanghai Cooperation Organization (SCO), on the other hand, has all important players of the region within its fold. It started with a limited scope. But in the wake of fast paced globalization and a number of regional and global developments in the political, economic and security environment, the organization has extended its scope and influence.

The Shanghai Five grouping was originally created 26 April 1996 with the signing of the Treaty on Deepening Military Trust in Border Regions in Shanghai by the heads of states of Kazakhstan, the People's Republic of China, Kyrgyzstan, Russia and Tajikistan. April 24, 1997 the same countries signed the Treaty on Reduction of Military Forces in Border Regions in a meeting in Moscow. Russian President Vladimir Putin, Kazakh President Nursultan Nazarbayev, Former Chinese President Jiang Zemin, Former Kyrgyz President Askar Akayev, and Tajik President Emomali Rakhmonov, at one time the leaders of the Shanghai Five. Annual summits of the Shanghai Five group occurred in Almaty (Kazakhstan) in 1998, in Bishkek (Kyrgyzstan) in 1999, and in Dushanbe (Tajikistan) in 2000. In 2001, the annual summit returned to Shanghai, China. There the five member nations first admitted Uzbekistan in the Shanghai Five mechanism (thus transforming it into the Shanghai Six). Then all six heads of state signed on 15 June 2001, the Declaration of Shanghai Cooperation Organisation. In June 2002, the heads of the SCO member states met in Saint Petersburg, Russia. There they signed the SCO Charter which expounded on the organisation's purposes, principles, structures and form of operation, and established it officially from the point of view of international law. By 2007 the SCO had initiated over twenty large-scale projects related to transportation, energy and telecommunications and held regular meetings of security, military, defence, foreign affairs, economic, cultural, banking and other officials from its member states. The SCO has now established relations with the United Nations, the European Union, Association of Southeast Asian Nations (ASEAN), the Commonwealth of Independent States and the Organisation of Islamic Cooperation.

THE STRUCTURE OF THE SHANGHAI COOPERATION ORGANISATION



The Council of Heads of State is the top decision-making body in the SCO. This council meets at the SCO summits, which are held each year in one of the member states' capital cities. The current Council of Heads of State consists of:

- Almazbek Atambayev (Kyrgyzstan)
- Xi Jinping (China)
- Islam Karimov (Uzbekistan)
- Nursultan Nazarbayev (Kazakhstan)
- Vladimir Putin (Russia)
- Emomalii Rahmon (Tajikistan)

The Council of Heads of Government is the second-highest council in the organisation. This council also holds annual summits, at which time members discuss issues of multilateral cooperation. The council also approves the organisation's budget. The council of Foreign Ministers also hold regular meetings, where they discuss the current international situation and the SCO's interaction with other international organisations.

OBJECTIVES OF SCO:

1. To boost mutual confidence and friendship and cooperation between the member countries.
2. To help member countries in their political issues, economic and trade matters, scientific and technical matters, cultural issues and provide assistance and cooperation in the fields like education, transportation, environmental security etc.
3. To maintain regional peace and stability in the area, and

4. To establish new international political and economic system with democratic setup.
5. To follow the U.N charter and its objectives and principles.
6. Non interference in each other's matters
7. To establish the friendly relations with outsider countries and cooperate these countries
8. To solve the disputes through negotiations and peacefully talks
9. Do not use forcible means and power against each other

SECURITY COOPERATION:

The SCO is primarily centered on its member nations' Central Asian security-related concerns, often describing the main threats it confronts as being terrorism, separatism and extremism. However evidence is growing that its activities in the area of social development of its member states is increasing fast. At 16–17 June 2004 SCO summit, held in Tashkent, Uzbekistan, the Regional Antiterrorism Structure (RATS) was established. On 21 April 2006, the SCO announced plans to fight cross-border drug crimes under the counter-terrorism activities. In October 2007, the SCO signed an agreement with the Collective Security Treaty Organisation (CSTO), in the Tajik capital Dushanbe, to broaden cooperation on issues such as security, crime, and drug trafficking. The organisation is also redefining cyber warfare, saying that the dissemination of information "harmful to the spiritual, moral and cultural spheres of other states" should be considered a "security threat". In 2009 a treaty of mutual cooperation against cyber warfare was signed. Peace Mission 2010, conducted September 9–25 at Kazakhstan's Matybulak training area, saw over 5,000 personnel from China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan conduct joint planning and operational maneuvers

ECONOMIC COOPERATION:

All SCO members and including China are also members of the Eurasian Economic Community. A Framework Agreement to enhance economic cooperation was signed by the SCO member states on 23 September 2003. At the same meeting the PRC's Premier, Wen Jiabao, proposed a long-term objective to establish a free trade area in the SCO, while other more immediate measures would be taken to improve the flow of goods in the region. A follow up plan with 100 specific actions was signed one year later, on 23 September 2004. However on 28 August 2008 summit it was stated that "Against the backdrop of a slowdown in the growth of world economy pursuing a responsible currency and financial policy, control over the capital flowing, ensuring food and energy security have been gaining special significance "On 16 June 2009, at the Yekaterinburg Summit, China announced plans to provide a US\$10 billion loan to SCO member states to shore up the struggling economies of its members amid the global financial crisis. The summit was held together with the first BRIC summit, and the China-Russia joint statement said that they want a bigger quota in the International Monetary Fund.

CULTURAL COOPERATION:

Cultural cooperation also occurs in the SCO framework. Culture ministers of the SCO met for the first time in Beijing on April 12, 2002, signing a joint statement for continued cooperation. The third meeting of the Culture Ministers took place in Tashkent, Uzbekistan, on 27–28 April 2006. An SCO Arts Festival and Exhibition was held for the first time during the Astana Summit in 2005. Kazakhstan has also suggested an SCO folk dance festival to take place in 2008, in Astana.

CONCLUSION:

From the beginning of SCO and its establishment, many countries are interested to join it and America is also one of them. India is trying again and again to be its stable member because India has very cordial relations with Middle Asian countries. India is a rising power in South Asia and at international scenario and it is very essential for India to have peaceful relations with Middle Asia. Despite many problems SCO has solved the disputes between its member countries, SCO has improved and developed and would achieve its goals and objectives and influence the world politics by maintaining peace and the stability in the region.

Lesson-2.3

BIMSTEC**Introduction**

The Bay of Bengal is a bay that forms the north-eastern part of the Indian Ocean. It resembles a triangle in shape bordered by India, Sri Lanka, Bhutan, Bangladesh, Myanmar, Thailand, Malaysia and Indonesia. In 1990s these countries decided to get engaged in a regional corporation with a view to achieve larger economies of scale in production, attain specialization, increase competitiveness, diversify export basket and make use of their under-utilized economic potential in terms of human, technological and natural resources with less possibilities of back-sliding. The idea of setting up a sub-regional co-operation block in the Bay of Bengal basin was first mooted in Bangkok, known as the “Bangkok Declaration” by Bangladesh, India, Sri Lanka and Thailand. On June 6th 1997, BIST-EC (Bangladesh-India-Sri Lanka-Thailand Economic Cooperation) came in force (Nag & De 2007). The purpose of this regional grouping was to provide trade and technological cooperation among its members in the areas of trade and investment, tourism, transport and communication, technology, energy and fisheries. Later, at the special Ministerial meeting convened in Bangkok on December 22nd 1997, Myanmar was admitted as a member of the group and BIST-EC was renamed as BIMST-EC (Bangladesh-India-Myanmar-Sri Lanka-Thailand-Economic Cooperation). In February 2004, on joining the group by new members Bhutan and Nepal, the sub-regional group was again renamed as BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation). BIMSTEC is fast becoming a significant trade bloc in Asia-Pacific. Its intra-regional trade is significantly higher than many other economic groupings in Asia-Pacific region except perhaps EAEG (East Asia Economic Grouping) and ASEAN (Association of South East Asian Nations). As a fusion of two regions, namely, South and South-East Asia, BIMSTEC aims to develop a network of complementarities, facilitating greater economic cooperation. To achieve this goal, BIMSTEC started with six areas of cooperation, such as Energy, Fisheries, Technology, Trade and Investment, Transport & Communication, and Tourism. However, it also covers agriculture and human resource development.

I. Historical Background

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a regional organization comprising seven Member States lying in the littoral and adjacent areas of the Bay of Bengal constituting a contiguous regional unity. This sub-regional organization came into being on 6 June 1997 through the Bangkok Declaration. It constitutes seven Member States: five deriving from South

Asia, including Bangladesh, Bhutan, India, Nepal, Sri Lanka, and two from Southeast Asia, including Myanmar and Thailand. Initially, the economic bloc was formed with four Member States with the acronym 'BIST-EC' (Bangladesh, India, Sri Lanka and Thailand Economic Cooperation). Following the inclusion of Myanmar on 22 December 1997 during a special Ministerial Meeting in Bangkok, the Group was renamed 'BIMST-EC' (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation). With the admission of Nepal and Bhutan at the 6th Ministerial Meeting (February 2004, Thailand), the name of the grouping was changed to 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation' (BIMSTEC).

The regional group constitutes a bridge between South and South East Asia and represents a reinforcement of relations among these countries. BIMSTEC has also established a platform for intra-regional cooperation between SAARC and ASEAN members. The BIMSTEC region is home to around 1.5 billion people which constitute around 22% of the global population with a combined gross domestic product (GDP) of 2.7 trillion economies. In the last five years, BIMSTEC Member States have been able to sustain an average 6.5% economic growth trajectory despite global financial meltdown.

II. Objectives of BIMSTEC:

As stated in the Declaration of BIMSTEC, its objectives are:

- i. To create an enabling environment for rapid economic development through identification and implementation of specific cooperation projects in the sectors of trade, investment and industry, technology, human resource development, tourism, agriculture, energy, and infrastructure and transportation.
- ii. To accelerate the economic growth and social progress in the sub-region through joint endeavors in a spirit of equality and partnership.
- iii. To promote active collaboration and mutual assistance on matters of common interest in the economic, social, technical and scientific fields.
- iv. To provide assistance to each other in the form of training and research facilities in the educational, professional and technical spheres.
- v. To cooperate more effectively in joint efforts that are supportive of and complementary to national development plans of Member States which result in tangible benefits to the people in raising their living standards, including generating employment and improving transportation and communication infrastructure.
- vi. To maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes.
- vii. To cooperate in projects that can be dealt with most productively on a sub-regional basis and make best use of available synergies among BIMSTEC member countries.

III. BIMSTEC's Principles:

The founding principles of BIMSTEC are as follows:

- i. Cooperation within BIMSTEC will be based on respect for the principle of sovereign equality, territorial integrity, political independence, no-interference in internal affairs, peaceful co-existence and mutual benefit.
- ii. Cooperation within BIMSTEC will constitute an addition to and not be a substitute for bilateral, regional or multilateral cooperation involving the Member States

IV. CHAIRMANSHIP

The Chairmanship of BIMSTEC rotates among Member States:

- Bangladesh (1997–1999)
- India (2000)
- Myanmar (2001-2002)
- Sri Lanka (2002-2003)
- Thailand (2004-2005)
- Bangladesh (2005-2006)
- India (2006-2008)
- Myanmar (2009-2014)
- Nepal (2015-)

V. MEETINGS

BIMSTEC meets regularly at different levels. Each type of Meeting is tasked with unique responsibilities, but is closely interrelated to one another. The Country holding the Chairmanship of BIMSTEC is responsible for the conduct of regular meetings, including the BIMSTEC Summit, Ministerial Meeting, Senior Officials' Meeting and BIMSTEC Working Group Meeting. The main working mechanism of BIMSTEC is categorized as follows:

VI. Policy-Making Bodies**1. BIMSTEC Summit**

This is the highest policy making body in the BIMSTEC process. As per the decision of the 6th BIMSTEC Ministerial Meeting held in Thailand on 8th February 2004, the Summit should be held every two years, as possible. The First Summit Meeting of the Heads of the BIMSTEC Countries was held in Bangkok, Thailand on 31 July 2004. The Second Summit was held on 13 November 2008 in New Delhi. The Third Summit was held in Nay Pyi Taw, Myanmar on 4 March 2014.

2. Ministerial Meetings

Ministerial Meetings cover the area of foreign affairs (MM) and the area of trade and economic affairs (TEMM). While the Foreign Ministerial Meeting acts as prime mover determining the overall policy, as well as recommendations for the Leaders' Summit, Trade and Economic Ministerial Meeting monitors the progress in the Trade and Investment Sector as well as FTA policy.

3. Foreign Ministerial Meetings (MM)

It is the second apex forum of BIMSTEC next to the Summit Meeting of BIMSTEC, and the second highest policy-making body attended by the External/Foreign Ministers of Member States. The Ministerial Meeting is preceded by the Senior Official's Meeting and is represented by the Senior Official's (Foreign Secretaries) of the Member States. A representative of Ministry of Trade/Commerce is also inducted in the delegation.

First Ministerial Meeting	- 06 June 1997, Bangkok, Thailand
Special Ministerial Meeting	- 22 December 1997, Bangkok, Thailand
Second Ministerial Meeting	- 19 December 1998, Dhaka, Bangladesh
Third Ministerial Meeting	- 6 July 2000, New Delhi, India
Fourth Ministerial Meeting	- 21 December 2001, Yangon, Myanmar
Fifth Ministerial Meeting	- 20 December 2002, Colombo, Sri Lanka
Sixth Ministerial Meeting	- 8 February 2004, Phuket, Thailand
Seventh Ministerial Meeting	- 30 July 2004, Bangkok, Thailand
Eighth Ministerial Meeting	- 18-19 December 2005, Dhaka, Bangladesh
Ninth Ministerial Meeting	- 9 August 2006, New Delhi, India
Tenth Ministerial Meeting	- 29 August 2008, New Delhi, India
Eleventh Ministerial Meeting	- 12 November 2008, New Delhi, India
Twelfth Ministerial Meeting	- 11 December 2009, Nay Pyi Taw, Myanmar
Thirteenth Ministerial Meeting	- 22 January 2011, Nay Pyi Taw, Myanmar
Fourteenth Ministerial Meeting	- 3 March 2014, Nay Pyi Taw, Myanmar

Trade/Economic Ministerial Meetings (TEMM)

The TEMM consists of the Trade/Economic Ministers of the Member States, assisted by the Senior Trade/Economic Officials Meeting that provides inputs to the Ministerial Meeting. Trade/Economic Ministers Meetings are mandated to follow up and accelerate the implementation of economic activities. To date, five TEMMs have taken place:

First Meeting of BIMSTEC TEMM	- 07 August 1998, Bangkok, Thailand
Second Meeting of BIMSTEC TEMM	- 27 April 2000 in New Delhi, India
Third Meeting of BIMSTEC TEMM	- 15 February 2001, Yangon, Myanmar
Fourth Meeting of BIMSTEC TEMM	- 7 March 2003, Colombo, Sri Lanka
Fifth Meeting of BIMSTEC TEMM	- 7 February 2004, Phuket, Thailand
Sixth Meeting of BIMSTEC TEMM	- upcoming, Dhaka, Bangladesh

Business Forum and Economic Forum

Two forums under the STEOM allow active participation of the private sector. In the Business Forum, private sector representatives from the BIMSTEC Member States meet and discuss various issues. Results from the Business Forum will be forwarded to Economic Forum where the private sector have an opportunity to discuss freely with representatives from the public sector from Member States. The Economic Forum will then report outcomes of its meetings to the STEOM. The last Forum was held in New Delhi.

Coordinating Body

The Chairman of the BWG rotates along with the Chairmanship of the BIMSTEC. The BWG reports to the Senior Officials Meeting (SOM). The Meeting is held about monthly to review the progress of and ensure coordination among different activities. BWG Meetings are being held in the BIMSTEC Secretariat, Dhaka chaired by Nepal.

Expert Group Meeting

The Lead Countries of the 13 priority sectors of cooperation and 15 sub-sectors are to host expert group meetings of their responsible sectors regularly and report the result to the BIMSTEC Working Group in Bangkok (BWG) via respective Embassies to Thailand. The result will then be further reported to the SOM.

SECTORS OF COOPERATION IN BIMSTEC COUNTRIES-

Trade & Investment- This Sector is led by **Bangladesh**. Since there is significant potential of increasing intra-BIMSTEC trade, increased economic cooperation among member countries will definitely contribute to expansion of trade and investment flows in the region. A Task Force was constituted to review the sectors and sub-sectors of economic cooperation by the decision of the STEOM and the Trade Ministers in their meeting held in January 2004 in Bangkok. The Task Force decision which finalized in January 2005 is to restructuring Trade and Investment Sector into 3 main Sub-sector. At present, this sector is divided into two categories as follows;

Goods and Services consisting of 8 sub-sectors

- i. Textile & Clothing - Bangladesh
- ii. Drugs & Pharmaceuticals -India
- iii. Gem & Jewelry - Sri Lanka
- iv. Horticulture and Floriculture products - Thailand
- v. Processed Foods - Sri Lanka
- vi. Automotive Industry & Part - Thailand
- vii. Rubber, Tea & Coffee - Thailand
- viii. Coconut and Spices – India

Trade and Service facilitation consisting of 7 sub-sectors

- i. Custom Service
- ii. Banking Arrangements
- iii. Standards & Conformity
- iv. Intellectual Property
- v. Standard of Goods
- vi. E-BIMSTEC
- vii. Business Travel Facility

Technology- This Sector is led by Sri Lanka. The 1st and 2nd BIMSTEC Expert Group Meetings on Technology were held in New Delhi in December 2000 and October 2002, respectively. The “BIMSTEC Agreed Statement on Cooperation in Technology Sector” was reached at the 1st Meeting, while the 2nd Meeting discussed the agro-based technology and ICT as appeared in the “Colombo Joint Declaration” adopted at the Meeting. Sri Lanka hosts the

BIMSTEC Official website, www.bimstec.org, and the materials for the said website provided by BIMSTEC Center. Expert Group Meeting on the Establishment of a BIMSTEC Technology Transfer Exchange Facility will be held after June 2008. Sri Lanka is waiting for members to convey their views on the Concept Paper.

Transport & Communication- This sector is led by India. The 1st Meeting of the BIMSTEC Expert Group on Transport and Communication Sector was held on 23-24 April 2001, in New Delhi. The Meeting discussed various concerned issues, including Transportation and Cross-border Facilitation, Multimodal Transport and Logistics, Infrastructure Development, Aviation, Maritime Transport, HRD, as well as Communication Linkages and Networking. BIMSTEC members recognized the importance to create air, sea, and land linkages. They include the open sky policy in BIMSTEC, development of the Tri-lateral Highway Project between Thai-Myanmar-India and Thai-Myanmar-Bangladesh, which will facilitate land transport from the Bay of Bengal to the South China Sea. In terms of sea transport, there are the coastal navigation project and a feasibility study on Tavoy, proposed by India.

Sub-Sectors

- i. Identification and promotion of new inter-modal linkages within BIMSTEC countries. - Chair country **India**.
- ii. Improving efficiency of international land transport in BIMSTEC countries

Tourism- This Sector is led by **India**. The 2nd Roundtable and Workshop of Tourism Ministers was held on 28-30 August 2006, where the Kathmandu Declaration on Tourism Cooperation and the Plan of Action, proposed in Kolkata, were adopted. In May 2007, comments from all member countries on the Terms of Reference for setting up the Tourism Working Group had been conveyed to the Ministry of Tourism of India. The comments and suggestions will be compiled for further actions. India will then set the date of the 1st BIMSTEC Tourism Working Group Meeting.

Fisheries- This Sector is led by **Thailand**. The 1st Fisheries Expert Group Meeting was held in Thailand on 5-7 February 2001. The meeting agreed to adopt the Term of Reference of the BIMSTEC Sectoral Committee on Fisheries. Consequently, the Department of Fishery of Thailand proposed the "Ecosystem-based Fishery Management in the Bay of Bengal" as a priority project of this sector, while Bangladesh proposed 2 other relevant projects, namely the "Study on Impact of Offshore Oil and Gas Drilling on the Marine Fisheries Resource in Bay of Bengal" and "Marine Fisheries Stock Assessment, Management and Development of New Fisheries in Bay of Bengal". The Ecosystem-Based Fishery Management in the Bay of Bengal was finished in December 2007 and the full report of the said study will be published shortly. Thailand has hosted another Expert Group Meeting in which the 3 projects were discussed simultaneously on 5-7 September 2005.

- i. Thailand also hosted Workshop on Fisheries Cooperation was held on 8-10 May 2007 in Phuket. The workshop aimed to have consultation among BIMSTEC Countries about the past and future cooperation on fisheries. Many fisheries cooperation needs had been prioritized. For example; Awareness building of potential expansion of aquaculture and application of appropriate technology and new cultivable species for aquaculture.

Agriculture- This Sector is led by **Myanmar**. This sector of cooperation was first raised and discussed in the 1st BIMSTEC Summit. It was proposed that cooperation on agriculture be added as one of the priority sectors, yet the Prime Minister of Thailand suggested that it be joined with the existing Fisheries sector instead. Thailand offered to lead this newly enlarged sector as well as offered to extend credit lines to BIMSTEC member countries for importing agricultural products from Thailand. However, in the 8th Ministerial Meeting, the meeting agreed that the agricultural sector and the Fisheries sector were both independently significant; therefore, it was concluded that the two sectors were to be separated. At the 9th Ministerial Meeting held in India in August 2006. Myanmar has become the lead country of this newly Sector when meeting welcomed and accepted the offer of Myanmar.

Cultural Cooperation- This sector is led by Bhutan. The First BIMSTEC Ministerial Meeting on Culture was held from 23-25 May 2006 in Paro, Bhutan. The Ministerial Meeting was preceded by the First Meeting of BIMSTEC Culture Secretaries/Experts from 22 - 23 May 2006. The Meeting of BIMSTEC Culture Secretaries/Experts focused their deliberations on the Concept Paper on Cultural Industries presented by Bhutan. The Concept Paper articulates a vision, identifies opportunities, drivers and strategies that will serve as a roadmap for socio-economic development, driven by creative cultural industries of the BIMSTEC region. In this regard, the Meeting emphasized the need for the development and promotion of cultural industries towards poverty reduction and community vitalization.

Environment & Disaster Management- This Sector is led by **India**. Before the 1st BIMSTEC Summit, the National Centre for Medium Range Weather Forecasting (NCMRWF) of the department of Science and Technology of India had held an operational Meeting about the examination, prediction, and warning of cyclones and tropical Monsoons on 25-28 March 2003. During the 1st BIMSTEC Summit, India proposed cooperation in information sharing on Remote Sensing for the purpose of agricultural, environmental, and catastrophe management. Additionally, India has put forward a plan to establish the BIMSTEC Centre on Weather and Climate in New Delhi. The established centre has been working since August 2004.

Public Health- This sector is led by **Thailand**. The Summit discussed the necessity of supporting the cooperation on Biodiversity for an efficient use of various natural resources found in the member countries in order to strengthen the existing cooperation. The Summit also considered the issues of giving legal protection and the agreement to establish a network of

national centers of excellence in the field of traditional medication for helping the impoverished. Thailand has accepted to lead this sector which includes the issue of generic drugs production as well.

People-to-People Contact- This Sector is led by **Thailand**. One of the issues emphasized in the BIMSTEC Summit was the interaction amongst the people in the BIMSTEC member countries through various exchange programs. Consequently, a part of the joint declaration made in the Summit stated that people-to-people contact was to be immediately supported through different exchange projects. Before the Summit, Thailand started this cooperation by arranging the 1st BIMSTEC Youth Football Competition in February 2004 in Phuket. Accordingly, as a response to the requests made at the Summit, the Thai Ministry of Foreign Affairs has initiated 4 projects aiming to promote people-to-people contact as, Exploring BIMSTEC Cultural Ties in Thailand: aimed to enhance BIMSTEC cooperation in many sectors. BIMSTEC ambassador to Thailand, their representatives, official and media members were invited to a 3-day trip to Sukhothai, Phisanulok and Ayudaya during 11-13 February 2005.

Poverty Alleviation- This sector is led by Nepal. Poverty reduction was the topic to which Leaders devoted the most time during the Summit Retreat. The meeting addressed the importance of poverty alleviation. The Prime Minister of Thailand suggested that the measures applied must focus on the poor, namely cutting expenses, increasing income and working opportunities. In this connection, Thailand is prepared to provide credit line to BIMSTEC countries for importing Thai agricultural products. Each country shared his or her practical experience in their respective country.

FREE TRADE AGREEMENT- BIMSTEC member countries agreed to establish **the BIMSTEC Free Trade Area Framework Agreement** in order to stimulate trade and investment in the parties, and attract outsiders to trade with and invest in BIMSTEC at a higher level. All members, except Bangladesh because of domestic procedure, became signatories to the Framework Agreement in the 6th Ministerial Meeting, as witnessed by the Prime Minister of Thailand and BIMSTEC's Foreign Ministers. Bangladesh later joined the Framework Agreement on 25 June 2004. The Trade Negotiating Committee (TNC) was setup and had its 1st Meeting in Bangkok on 7-8 September 2004. As stated in the adopted Terms of Reference, Thailand would be the permanent chair of TNC although the host country shall be rotated. The chair and each country's chief negotiator act as TNC's spokespersons, while TNC's chairperson will report the result via STEOM to the Trade and Economic Ministerial Meeting. TNC's negotiation area covers trade in goods and services, investment, economic cooperation, as well as trade facilitations and also technical assistance for LDCs in BIMSTEC. It was agreed that once negotiation on trade in goods is completed, the TNC would then proceed with negotiation on trade in services and investment.

Relevance of BIMSTEC-

India and Thailand, the two strongest economies of the grouping were the pioneers of BIMSTEC. As their economic interests grew in the region, the

two nations realized the importance of a geographically determined grouping such as BIMSTEC which could promote and secure the economic interests of their own economies while dispensing development across the region as well. India primarily evolved and expanded BIMSTEC as an integral expression of its Look East Policy, while Thailand approached it in context of its Look West Policy. Realizing the importance of regional groupings and forums, which are increasingly evolving as strategic groupings of much influence, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) has also decided to enhance cooperation in many areas, particularly through a Free Trade Agreement in a bid to increase intra-regional and inter-regional importance.

India has emerged as fast developing economy in the world today. India had closure ties and closure links with the BIMSTEC nations in ancient times, now with this agreement India got an opportunity to revive its past links with old partners. Moreover with BIMSTEC, India could seize an opportunity to have better trade links, more binding political relations beyond SAARC. India being the largest member nation could not only benefit itself, but played a leading role by assisting other smaller nations for mutual benefit. The success of BIMSTEC depends mainly on the sincere and honest cooperation of the member nations, keeping aside the political differences if there exist any.

To boost exports to other BIMSTEC nations India should try to identify potential product groups which can be pushed into export market, identify major markets which can absorb a country's potential products, select the right manufacturing export units which can undertake the responsibility of entering the overseas markets, provide adequate & improved infrastructure to exporters, bring tariff rates in line with the international level in order to remove any bias against production for exports, allow exporters to borrow from the international markets if rates of interest are higher in the domestic markets, adopt strategic state intervention to promote exports aggressively and create necessary institutions and organizations which aid and promote exports, create special domestic financial facilities in term lending institutions for export related investment, check the domestic consumption of commodities which have great export potential so as to make surpluses available for exports and to make exporters cost and quality conscious.

Lesson No. 2.4

South Asian Association for Regional Cooperation (SAARC)

The efforts which the South Asian countries were making since 1980 for promoting regional economic cooperation were finally successful in 1985, when the South Asian Association for Regional Cooperation (SAARC) was formally launched. President Zia-ur-Rehman of Bangladesh had taken step in the direction of encouraging cooperation among the countries of South Asia. Between 1977 and 1980 he visited Nepal, India, Pakistan and Sri Lanka and held consultations with the leaders of these countries on the need for cooperation among the countries of South Asian region. These efforts were thus finally successful when SAARC was created in 1985. The first summit of SAARC was held at the Bangladesh capital Dhaka in December 1985 with specific aim of promoting regional economic cooperation among its member states- India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives. All the seven countries were keenly interested in cooperation for development.

In this meeting, after due deliberation the leaders of the seven states unanimously decide to set up a secretariat (It is in Kathmandu) and issue a declaration for the creation of SAARC. Further, decision at all levels shall be taken on the basis of consensus and that bilateral and contentious issues shall be excluded from the deliberations. It was further accepted that regional cooperation shall be complimentary and supplementary to bilateral and multilateral cooperation among the member states (India, Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan, Maldives). In 2007, SAARC 14th summit was held in New Delhi and Afghanistan was added as eighth member of SAARC.

Institutional set up of SAARC

The charter of the association provides for the followings

1. The Summit

Heads of the states or government meet annually at summit level. The, 13 meetings of the heads of states have been held respectively in Dhaka (1985), Bangalore (1986), Kathmandu (1987), Islamabad (1988), Male (1990), Colombo (1991), Dhaka (1993), New Delhi (1995), Male (1997), Colombo (1998), Kathmandu (2002), Dhaka (2005), New Delhi (2007)

The fourteenth SAARC summit is schedule to be held in New Delhi after two years.

2. The Council of Ministers

It comprises of the foreign minister of member states and is responsible for formulation policies, reviewing policies, deciding on the new areas of cooperation

and on matters of general interest to the association etc. The council is expected to meet twice a year and may also meet in extraordinary session by agreement of member states.

3. The Standing Committee

The Foreign secretaries of member states comprises the standing committee which is entrusted with the task of overall monitoring and coordination of programmes, for the approval of the projects and programmes, financing, mobilising regional and external resources and identifying new areas of cooperation.

It meets as often as need to be and submits its reports to the council of ministers.

4. The Technical Committee

It consists of representatives of all the members state for implementing, coordinating and monitoring of all the programmes in each area of cooperation.

The seven technical committee under the SAARC integrated Programme of Action (SIPA) Cover the following areas :

1. Agriculture and Rural Development
2. Communication and Transport
3. Social Development
4. Environment, Meteorological and Forestry
5. Science and Technology
6. Human Resources Development
7. Energy

Objectives of SAARC

- ❖ To promote the welfare of the people of South Asia and to improve their quality of life.
- ❖ To accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potential.
- ❖ To promote and strengthen collective self-reliance among the countries of South Asia.
- ❖ To contribute to mutual trust, understanding and appreciation of one another's problems.
- ❖ To promote active collaboration and mutual assistance in the economic , social, cultural, technical and scientific fields.
- ❖ To strengthen cooperation with other developing countries.
- ❖ To strengthen cooperation among themselves in international forums on matters of common interests.
- ❖ To cooperate with international and regional organisations with similar aims and purposes.

Economic cooperation

Cooperation in the core areas among the SAARC member countries was

initiated in June 1991 following the completion of the study on Trade, Manufacture and Service (TMS) leading to the establishment of the committee on economic cooperation (CEC). The CEC comprises Commerce/trade secretaries of the SAARC member states. It was established to formulate and oversee implementation of specific measures, policies and programmes within the SAARC framework. To strengthen and enhance intra-regional cooperation in the field of trade and economic relations.

Thus, with the creation of CEC, regional economic cooperation was formally institutionalised as an integral component of the SAARC process and over the years, the CEC has emerged as the central group within SAARC for addressing economic and trade related issues.

South Asian Preferential Trading Arrangement (SAPTA)

In 1993, the framework agreement on SAPTA was finalised and signed at the seventh summit at Dhaka with the specific objective of reducing trade barriers in the region. The tenth summit held in Colombo, Sri Lanka in July 1998 approved the formulation of an institutional framework for trade liberalisation in SAARC through SAPTA. SAPTA was envisaged as the first step towards the transition to a South Asian Free Trade Area (SAFTA) leading subsequently, towards a Customs Union, Common Market and Economic Union.

The latest breakthrough came through with the offer of tariff preferences. SAPTA has opened its books with 4951 export request items laced with concessions. India has offered concessions on 2402 items under the proposed SAPTA. Pakistan has offered tariff concessions on 685 items, while Sri Lanka and Bangladesh have offered tariff concessions on 211 and 572. Nepal, Maldives and Bhutan have offered tariff concessions on 425, 390 and 266, respectively.

Social Cooperation

One of the objectives of SAARC in the social field was the acceleration of social progress and active collaboration and mutual assistance among the member states. It focused on social issues under the broad heading of health and population activities.

The primary focus of the Technical Committee set up in 1984 was on

- ❖ Maternal and child health.
- ❖ Primary health care
- ❖ Disabled and handicapped persons care.
- ❖ Controlling and combating major diseases in the region such as Malaria, Leprosy, Tuberculosis, Diarrhoea, Rabies and Aids.

Women

The development and well being of women was one of the principle areas of cooperation identified by SAARC. Activities were undertaken for pursuing a regional plan of action for Women; publishing the SAARC solidarity Journal on specific themes on women and gender issues, highlighting the plight of the girl child in South Asia.

A Memorandum of Understanding for cooperation with the United Nations

Development Fund for Women was signed on 30 December 2001.

On 5th January 2002, during eleventh summit held at Kathmandu, a regional convention on Combating the Crime of Trafficking of Women and Children for Prostitution was signed by the member states.

Children

Another principle area of cooperation as identified by SAARC was the development and well being of children. The objectives of building a region-wide consensus on social action for achieving the rights of the child and goals set for them within the framework of a survival, protection and development strategy was addressed during the three ministerial conferences on children held in Delhi (1986), Colombo (1992) and Rawalpindi (1996) Respectively.

Health

A number of initiatives in the areas of health care and disease control have been undertaken by the member states. Discussions on health issues highlighted the need for strengthening efforts for combating problems posed by the resurgence of communicable diseases such as malaria, TB, waterborne diseases and the emergence of AIDS as a major health hazard.

The SAARC Tuberculosis Centre (STC), Established in Kathmandu in 1992, is playing an important role in prevention and control of tuberculosis in the SAARC region by coordinating the efforts of the national TB Programme of the member countries.

In August 2000, SAARC has signed an MOU with WHO for mutual cooperation in agreed areas to help member countries strive towards the goal of Health for All. Poverty Alleviation and Development Activities

An Independent South Asian Commission on Poverty Alleviation (ISACPA) was established by the SAARC leaders at the Sixth Summit (Colombo, 1991). It was established to address the poverty related issues and to suggest strategies and measures to alleviate poverty in the region. The commission reporting to the Seventh Summit (Dhaka, 1993) provided a radical conceptual framework for poverty alleviation through social mobilisation and empowerment in south Asia. This included a strategy of social Mobilisation, a policy of decentralised agricultural development, village reawakening, small scale labour, intensive industrialisation and human resource development.

Conventions and Agreement

- ❖ An agreement on establishing the SAARC food security reserve was signed during the third SAARC summit (Kathmandu, 1987). The agreement provides for a reserve of food grains to meet emergencies in the member countries.
- ❖ The SAARC regional convention on the suppression of Terrorism was signed in Kathmandu during the third SAARC summit (November 1987). Under its provisions, member states are committed to extradite or prosecute alleged offenders.

Regional cooperation to combat terrorism through exchange of information, intelligence and expertise is identified for mutual cooperation under the convention.

The SAARC terrorism offences Monitoring Desk (STOMD) has been established in Colombo to collect, analyse and disseminate information about the terrorist incidents, tactics, strategies and methods.

- ❖ The SAARC convention on Narcotics drugs and Psycho-tropics substance was signed in Male during the fifth SAARC summit in November 1990 but came into force on Sept 15, 1993 following ratification by all member states. The convention envisages the widest measures to be undertaken for mutual legal assistance among member states in investigation, prevention and judicial proceedings in respect of drug offences.

The SAARC terrorism offences Monitoring Desk (STODM) has been established in Colombo to collect, analyse and disseminate information on drug related offences in member countries.

- ❖ The SAARC convention on prevention of trafficking of women and children for prostitution was signed at the eleventh summit (Kathmandu January, 2002). The convention envisaged to promote cooperation among member states to deal effectively with various aspects of prevention of trafficking of women and children, the rehabilitation victims of trafficking and also in preventing the use of women and children in international prostitution network.

- ❖ The SAARC convention of child welfare in South Asia was signed during the eleventh summit (Kathmandu January, 2002). The main objectives of the convention to facilitate and help in the development and protection of the South Asian child, to promote an understanding and awareness of the rights, duties and responsibilities of the children.