

India's Neighbours

Afghanistan

Following the 11 September terrorist attacks in New York and Washington, and the Taliban's refusal to hand over Osama bin Laden (OBL), the United States commenced air raids on Afghanistan on 7 October 2001. Having commenced their military gains from 9 November 2001 when they captured Mazar-e-Sharif, the United Front forces quickly established control over most provinces of Afghanistan. Bamiyan, Faryab, Badgis, Samangan, Takhar, Ghor, Baghlan and parts of Kunduz fell on 11 November 2001. Herat fell on November 12 and Northern Alliance (NA) forces entered Kabul on 13 November 2001.

Earlier, NA leader Ahmad Shah Masood was assassinated on 9 September, at his residence in Takhar Province.

On 21 November 2001 India's Special Envoy on Afghanistan, Shri S.K. Lambah, led a diplomatic mission to Kabul, Afghanistan. From the same date, the Liaison Office of the Ministry of External Affairs became operational in Kabul. It was subsequently upgraded to an Embassy on 22 December 2001, after the inauguration of the new Afghan Interim Administration on that day. India participated in the UN-sponsored talks on Afghanistan in Bonn, Germany, which led to the signing of the Bonn Agreement on 5 December 2001. India also participated in the meeting of the UN-sponsored Group of 21 Countries on Afghanistan held in New York on 16 November 2001 and again in December 2001. India also participated in the senior officials meeting on reconstruction and assistance to Afghanistan held in Washington on 21 November 2001; the Conference on "Preparing for Afghanistan's

Reconstruction" in Islamabad from 21-29 November 2001, the meeting of the Steering Group for Assistance in the reconstruction of Afghanistan in Brussels on 20 & 21 December 2001, and the Ministerial meeting of the Steering Group on Reconstruction Assistance to Afghanistan in Tokyo on 21 & 22 January 2002.

The second meeting of Indo-Russia Working Group on Afghanistan was held in Moscow on 25 & 26 June 2001. First Deputy Minister of Foreign Affairs of the Russian Federation Mr. V. I. Trubnikov chaired the meeting from the Russian side and Smt. Chokila Iyer, Foreign Secretary from the Indian side. The two sides agreed that the Taliban held areas in Afghanistan had become nerve centres and breeding grounds for terrorists and separatists forces, narcotics and fundamental ideologies. The two sides agreed to continue their close cooperation at the bilateral level as well as multi-laterally to address the terrorist forces, terrorism and extremist ideologies emanating from the Taliban held areas in Afghanistan.

The Minister of External Affairs, Shri Jaswant Singh led an Indian delegation to Kabul on 22 December 2001 to attend the inauguration of the Interim Authority in Afghanistan.

Afghan Interior Minister, Mr. Yunus Qanooni visited India on 7 December 2001, Minister of Labour and Communications, Mr. Mirwais Sadiq visited India from 10 December 2001. Afghan Foreign Minister Dr Abdullah Abdullah visited India from 13-19 December 2001. The Minister of Light Industry in Afghan Interim Authority, Engr Mohd Arif Noorzai visited India in January 2002. Also the Afghan Minister of Civil Aviation visited India on 25 January 2002 in the first Ariana Afghan flight under

the present Afghan Government. On 31 January 2002, Deputy Defence Minister of Afghanistan, Gen. Abdul Rashid Dostum arrived in Delhi, and on 30 January 2002, Haji Muhammad Mohaqeq (one of the Vice-Chairmen in the Afghan Interim Authority) visited India.

Prime Minister Shri Atal Bihari Vajpayee announced a line of credit of US\$ 100 million to Afghanistan. India pledged humanitarian assistance of 1 million tons of wheat for internally and externally displaced Afghans. A team of doctors and technicians was sent to Kabul on 30 December 2001 to set up a camp for fixing artificial limbs (Jaipur foot) for Afghan amputees. Teams of doctors and paramedics, along with medicines, were sent to Kabul and Mazar-e-Sharif and are working there.

India took a proactive stance and concrete measures in meeting not only the humanitarian needs, but also the reconstruction and rehabilitation requirements in post conflict Afghanistan. India continued its contacts with all sections of the Afghan people and have played a constructive role in further strengthening historic ties of friendship between India and Afghanistan.

Iran

In the 8 June 2001 Presidential elections, President Seyed Mohammad Khatami was re-elected as the President of Islamic Republic of Iran by an overwhelming majority securing a little over 77 per cent of the total votes cast. In the 1998 Presidential elections he had secured about 69 per cent of the total votes cast. He pledged to push ahead with his efforts to establish a “religious democracy” in Iran and to bring “reforms to State affairs”.

Prime Minister paid an official visit to Iran from 10-13 April 2001. During PM’s visit both sides discussed issues relating to cooperation on bilateral regional and international matters. During this visit six Agreements/MoUs were signed. These were agreements on (i) Trade & Economic Cooperation, (ii) Customs Cooperation; MoUs on (i) Information Technology (ii) Cooperation in the field of Energy, (iii) Cooperation in the field of Power (conventional and non-conventional sources), and (iv) Technical Cooperation. PM and President Khatami signed the “Tehran Declaration”. A joint statement was issued at the conclusion of the visit. In terms of concrete initiatives in the area of commercial and economic cooperation, PM announced India’s

willingness to offer a line of credit of US\$ 200 million on terms and conditions to be mutually decided upon.

The fourth Joint Committee Meeting on Transfer of Iranian Gas to India was held in New Delhi on 11 & 12 June 2001. The Iranian delegation was led by Dr. S.M.H. Adeli, Deputy Foreign Minister for Economic Affairs and an Indian delegation by Adviser Minister of External Affairs, Shri K.V. Rajan. On conclusion of this meeting both sides decided to establish a Joint Technical Sub Committee (JTSC) of the Joint Committee to go into technical details of all options relating to supply of Iranian gas to India. The first meeting of the JTSC was held in Tehran in August 2001. The first ever India-Iran dialogue on strategic issues was held in New Delhi on 16 October 2001. The Iranian delegation to the dialogue was led by Deputy Foreign Minister Mr. Mohsin Aminzadeh and the Indian delegation by the Foreign Secretary. A review meeting of the India-Iran Joint Commission was held in Delhi on 15 October 2001. During Mr. Aminzadeh’s visit, the latest round of Foreign Office consultations between Iran and India was also held in New Delhi on 15 & 16 October 2001. The Iranian delegation was led by Deputy Foreign Minister Mr. Mohsin Aminzadeh. The Iranian Oil Minister, Mr. Bijan Zanganeh, visited India on 15-17 January 2002. The 2nd meeting of the Joint Technical Sub-committee on India-Iran Gas Pipeline was held during his visit to India.

Following the visit of Prime Minister to Iran, India-Iran relations witnessed expansion and increased dynamism. New areas in bilateral cooperation were being added, and existing areas were being consolidated. India-Iran relations were also an important factor in regional peace and stability.

Regular interaction and exchanges at different levels with Bangladesh, Sri Lanka, Maldives and Myanmar contributed to the enhancement of India’s multi-faceted relationship with these countries, based on centuries-old civilizational and historical ties. Government’s focus was on expanding and strengthening mutually beneficial linkages in the economic and infrastructural fields, promoting mutual trust and cooperation in key areas such as security, including the growing threat of terrorism and religious extremism in the region and border management; and facilitating people-to-people contact through programmes for human resource development, cultural exchanges and travel. Intensification of linkages with Bangladesh and Myanmar had particular relevance for the Indian States bordering these countries. This element was factored into the approach towards these countries.

Bangladesh

The relationship between Bangladesh and India is complex and multi-dimensional, based on an intricate tapestry of geographical, historical, cultural and social linkages. The regrettable border incidents of April 2001 were an aberration which the relationship survived due to common will of the two Governments.

Given the length and porosity of the India-Bangladesh boundary, problems can and do arise from time to time. In recognition of this fact, multi-tiered institutional mechanisms have been established for dialogue on border-related management. Despite this safeguard, the normally peaceful India-Bangladesh border witnessed grave incidents in April 2001. Following an unprovoked and unwarranted intrusion by Bangladesh Rifles (BDR) on 15 April 2001 in Pyrdiwah in Meghalaya State, tension spread to other areas, including in Assam where there was heavy exchange of fire on 17 & 18 April 2001. 16 BSF personnel died in the incidents and when their bodies were returned, shocking marks of injury and mutilation were found. The Prime Minister conveyed to the then Bangladesh Prime Minister India's deep sense of hurt and anguish over the inhumane treatment meted out to the BSF personnel. She expressed her deep sadness and concern and regretted the loss of lives. The situation was defused quickly by prompt diplomatic action reflecting the resilience of India-Bangladesh relations.

In the general elections in October 2001, the Bangladesh Nationalist Party (BNP) led a four-party coalition to victory ousting the Awami League. BNP Leader Begum Khaleda Zia took over as the Prime Minister on 10 October 2001. Principal Secretary to Prime Minister and National Security Adviser, Shri Brajesh Mishra visited Bangladesh on 26 & 27 October 2001 as Special Envoy of the Prime Minister following the formation of the new Government in Bangladesh. The new Government of Bangladesh expressed its desire to have a mutually beneficial relationship with India.

Other high-level interaction included the visit of Finance Minister of Bangladesh Mr. M. Saifur Rahman, from 2-4 December 2001 to attend the "India Economic Summit 2001" organised by Confederation of Indian Industry and World Economic Forum in New Delhi. During the course of the visit, he also called on PM and the Finance Minister. Earlier Secretary, Communications, Government of Bangladesh visited India from 18-29 April 2001 to receive the first lot of locomotives purchased by Bangladesh

under the credit line extended by India. Secretary (Petroleum & Natural Gas) and Secretary (Power) visited Dhaka in November 2001 for a meeting under the South-Asia Sub-Regional Economic Co-operation (SASEC) programme set up by SAARC. During the visit, the two Secretaries called on the concerned Ministers of State and discussed issues relating bilateral co-operation in power and energy. Secretary (Textiles) visited Dhaka from 22-25 December 2001 to discuss issues relating to mutual cooperation in the jute sector.

An official delegation from Bangladesh visited India from 11-14 June 2001 for discussions on pending matters relating to the India-Bangladesh Land Boundary Agreement of 1974. Following these discussions the terms of reference for two Joint Boundary Working Groups were finalised. These Groups, thereafter, met in Dhaka from 2-4 July 2001, their final reports are to be submitted to the two Governments by April 2002.

Interaction in important areas like sharing of water resources and infrastructural linkages continued. The 19th meeting of the India-Bangladesh Joint Committee of the Joint Rivers Commission was held in New Delhi from 22-25 June 2001. The 8th meeting of the Standing Committee of the Protocol on Inland Water Transit and Trade between India and Bangladesh took place in Dhaka from 5 & 6 September 2001. The Protocol and Agreement to operate a passenger bus service between Agartala and Dhaka was signed on 10 July 2001. An Agreement to facilitate running of passenger train services between India and Bangladesh was signed on 12 July 2001 at Dhaka. The bilateral Trade Agreement was extended for a further period of six months following the expiry of the Agreement in October 2001.

To facilitate people-to-people contact, the visa regime was revised and more liberal travel arrangements were entered into on 23 May 2001.

Active co-operation continued in the areas of education and technical training. A number of students from Bangladesh pursued various courses of study in India, many on ICCR scholarships. The intense strong ongoing cultural exchanges both at the governmental and at private level continued to flourish. The Indian High Commission in Dhaka organized a series of cultural events including music concerts, dance performances, film shows etc. which attracted a large attendance. Indian Mission and posts in Bangladesh issued 4,00,922 visas to Bangladeshi nationals during

the year 2001-2002, indicating the extensive popular interaction between the two countries.

Following reports of post-election attacks on members of the minority community in Bangladesh, Government of India's serious concern was conveyed to the Government of Bangladesh at various levels.

The 20th meeting of the Joint Committee on sharing of Ganga Waters at Farakka between India and Bangladesh as per the Treaty of 1996, including a visit to the Hardinge Bridge, took place in Dhaka from 27-31 January 2002. As part of the institutionalized bilateral dialogue mechanism, the trade review talks are expected to be held in Dhaka in March 2002. The Indian delegation would be led by Commerce Secretary. The bilateral talks at the level of Secretary (Shipping) are expected to be held in March 2002 in New Delhi to renew the Protocol on Inland Water Transit and Trade. The Joint Working Group, an important component of the bilateral institutional mechanism to look into security-related aspects, is expected to be held in February 2002 in Dhaka.

Sri Lanka

India's diverse relations with Sri Lanka saw particularly intense engagement in the political, economic and cultural fields. India consistently reiterated its commitment to the unity, sovereignty and territorial integrity of Sri Lanka; to the restoration of lasting peace in Sri Lanka and to a peaceful, political process being the only means of achieving a lasting peace, through a negotiated settlement which would meet the aspirations of all elements of Sri Lankan society.

The Sri Lankan General Elections for the 12th Parliament were held on 5 December 2001. United National Party (UNP) led coalition bagged 109 seats. Leader of UNP Mr. Ranil Wickremesinghe was sworn in as the 17th Prime Minister of Sri Lanka on 9 December 2001. The new Cabinet was formed on 12 December 2001.

Continuing with the tradition of maintaining high level political contact between the two countries, Mr. Ranil Wickremesinghe, visited India twice – as Leader of the Opposition from 31 May to 3 June 2001 and again as the Prime Minister from 22-24 December 2001. In an eloquent reaffirmation of the closeness of India-Sri Lanka ties

India was the first country that the Sri Lanka Prime Minister visited after taking office. He was accompanied by Minister of Foreign Affairs, Mr. Tyronne Fernando, Minister of Economic Reform, Science and Technology Mr. Milinda Moragoda, and other high officials. He met Indian leaders across the political spectrum. Substantive discussions were held with Prime Minister and the Minister of External Affairs. India reiterated its commitment to the sovereignty and territorial integrity of Sri Lanka. Following a request made during the visit, India agreed to provide to Sri Lanka 25000 tons of wheat per month for the next twelve months. The two sides also agreed to cooperate in a number of other areas with immediate priority on agriculture, power and the IT industry and also agreed to work on commissioning a feasibility study on a land bridge between the two countries, keeping in mind the spirit of the closest of historical, cultural and social ties that have bound the two nations over millennia.

Among other important visitors from Sri Lanka was Minister of Higher Education & Information Technology Development, Mr. Indika Gunawardana, who was in India from 22 April to 6 May 2001. During his visit he met officials and experts of the IT sector in the states of Tamil Nadu, Karnataka and Andhra Pradesh.

A delegation from Sri Lanka led by Sri Lankan Minister of Fisheries and Aquatic Resources Development, Mr. Mahinda Rajapaksa, met Union Minister of Agriculture, Shri Nitish Kumar, on 1 June 2001. The talks focused on the issues and problems faced by bonafide fishermen from both countries. Both sides agreed that these cases should be dealt with in a spirit of mutual accommodation and understanding, in accordance with established legal procedures and in a humane manner.

At the invitation of the Indian Minister of Rural Development, the Sri Lankan Minister of Rural Industrial Development, Mr. Mahiepala Herath, visited India from 22 June to 2 July 2001. He was accompanied by Secretary, Ministry of Rural Industrial Development, Mr. W. P. W. Weerawardena and other senior officials. Mr. Mahiepala Herath called on the Minister of Rural Development on 22 June 2001. The two Ministers discussed possibilities of cooperation between the two countries in areas of mutual interest including exchange of experiences in the field of handicrafts and other rural based economic activities. The Sri Lanka delegation evinced great interest in the programmes of the Ministry. Minister of Rural Development offered further exchange and training facilities.

Union Minister of State for Commerce & Industry and Railways, Shri Digvijay Singh, visited Colombo from 29 & 30 August 2001 to attend the installation ceremony of a statue of the late Mr. S. Thondaman, Tamil trade union leader and a Cabinet Minister of the Government of Sri Lanka. The visit was at the invitation of Mr. A. Thondaman, General Secretary, Ceylon Workers Congress (CWC) and Sri Lankan Minister for Estate Infrastructure and Livestock Development, who is also a grandson of the late Mr. S. Thondaman.

Ceylon Estate Workers' Education Trust (CEWET) has been in the forefront of providing financial assistance to needy children of estate workers of Indian origin for education purposes. This year Government made a fresh infusion of Rs. one crore to the CEWET corpus, managed and run by the Indian Mission in Colombo.

Government of India donated US\$ 25,000 to Government of Sri Lanka as drought relief assistance to tackle the severe drought that hit parts of South Sri Lanka; Government also sent wheat, rice and sugar to the tune of US\$ 25,000 as humanitarian assistance.

People to people contacts flourished between the two countries. During April to December 2001, our Mission in Colombo issued 60,662 visas to Sri Lankans to visit India. The Indian cultural centre in Colombo and the India-Sri Lanka Foundation continued to actively promote cultural exchanges between the two countries.

Maldives

India and the Maldives enjoy traditionally close, friendly and problem-free relations. In line with its policy of promoting growth in its neighbouring countries, India continued to assist Maldives in its developmental efforts especially in the field of human resource development, public health and infrastructure.

The warmth of India-Maldives relations was kept up through regular exchange of high level visits between the two countries. PM held a meeting with President Gayoom on the sidelines of the SAARC Summit in Kathmandu in January 2002 when matters of mutual interest were discussed including terrorism. Maldives had strongly condemned the attack on the Indian Parliament on 13 December 2001.

The Maldives Minister of Health Mr. Ahmed Abdullah visited India from 14-19

October 2001. During this visit a Memorandum of Understanding (MoU) concerning Manpower Requirements of the Indira Gandhi Memorial Hospital (IGMH), Male was signed on 15 October 2001. The MoU provides for deputing medical and para-medical staff to this Hospital and to provide training facilities to the Maldivian students in MBBS courses and PG courses.

Minister of State for External Affairs [MOS (EA)], Shri Omar Abdullah, visited the Maldives from 3-6 October 2001 at the invitation of the Government of Maldives. He held detailed discussions with Maldivian dignitaries on matters of mutual interest. MOS(EA) formally handed over heavy equipment to the Government of Maldives for their project relating to population consolidation and development. The assistance was deeply appreciated by the Government of Maldives.

Other important visits include the visit of Maldives Minister of Human Resources, Employment and Labour, Mr. Abdulla Kamaludeen, in June 2001 at the invitation of the Minister of Human Resource Development. During his visit it was agreed to double the number of ICCR scholarships being offered to the Maldives. He visited institutions connected with educational planning and imparting distance education.

India continued to provide training facilities to Maldivian nationals in areas of military training, police training and other related areas.

The Mission issued 891 visas between April 2001 and January 2002.

Minister of State for Home Affairs, Shri Vidyasagar Rao paid an official visit to the Maldives from 28 January to 1 February 2002. Besides holding bilateral meetings with the dignitaries of Maldives, Shri Rao and the accompanying officials familiarized themselves with the policies and procedures followed by the Government of Maldives in developing the tourism sector.

Myanmar

India continued to intensify co-operation with Myanmar, with focus on development of human resources and infrastructure.

India's bilateral relationship with Myanmar has come to be characterized by frequent interaction at both political and official levels. This trend continued with exchange of visits which served to provide direction and impetus to the relationship. Prominent among the high level visits was the visit of the Mayor of Yangon, U Ko

Lay, at the invitation of Lt. Governor of Delhi. He called on the Minister for Urban Development and interacted with Delhi Administration on problems of urban management.

In August 2001, Myanmar Deputy Minister of Industry, Ministry of Industry-2, Lt. Col. Khin Maung Kyaw, led a 7-member delegation comprising representatives from various industrial agencies to India in connection with utilisation of the GOI credit line of US\$ 15 million. C-in-C Myanmar Navy, Vice-Admiral Kyi Min, visited India in November 2001. At the official-level, Additional Secretary (BSM) visited Myanmar in May 2001 to sign a MoU on maintenance of the Tamu-Kalemyo-Kalewa road. In July 2001, Additional Secretary (BSM & SAARC) led a delegation to Yangon to discuss the multi-modal transport project on the river Kaladan. Dialogue on security-related issues of mutual concern was maintained. The 10th India-Myanmar Sectoral Level Meeting was held in September 2001. The Indian delegation was led by Joint Secretary (NE), Ministry of Home Affairs. There was also regular interaction on such matters between the two armed forces at the border.

Cross-border and other projects continued to be a mainstay of India-Myanmar cooperation. A Memorandum of Understanding (MoU) between the Government of the Union of Myanmar and the Government of the Republic of India on cooperation in the maintenance of the Tamu-Kalemyo road was signed on 25 May 2001 in Yangon. Under the MoU the Government of India has the responsibility of maintenance of the Tamu-Kalemyo-Kalewa road for the first six years by providing the services of Indian Road Maintenance Force along with necessary materials and manpower.

In July 2001, the Government of India and the Government of Myanmar agreed to carry out the first phase of the project which consists of upgradation of port of Sittwe, navigability of river Kaladan till Kaletwa and development of Highway from Kaletwa to Indo-Myanmar border at Mizoram. RITES has been asked to prepare a detailed Project Report in this regard.

In the same month another official delegation visited Myanmar for a site assessment for development of a deep-sea port at Kyaukphu.

Energy – both hydroelectric and hydrocarbon – is an area of immense potential for bilateral economic cooperation with Myanmar. Pre-feasibility study of a 1200 MW hydropower project at Tamanthi continued to be under study. India is setting

up a bio-mass gasifier project, and a BIMSTEC Energy Centre in Myanmar. Possibility of co-operation in offshore exploration and supply of natural gas is being looked at. A two-member technical team from GAIL and ONGC Videsh visited Myanmar in April 2001 in this context.

An MoU has been signed on the electrification of a village in Myanmar through solar energy. Success in this will pave the way for increased cooperation in non-conventional energy sources.

Reflective of the momentum of India-Myanmar relations, the two Governments have agreed to reopening of the respective Consulates on reciprocal basis in Mandalay and Kolkata.

Nepal

India and Nepal share traditionally close and friendly relations, reinforced by extensive social contacts. In the year 2001, Nepal faced unprecedented difficult times. In an unfortunate incident, some members of the Royal family, including King Birendra, Queen Aishwarya and Crown Prince Dipendra, were killed in a shoot out at the Palace on June 1, 2001. King Gyanendra was proclaimed the King on 4 June 2001.

The Minister of External Affairs, Shri Jaswant Singh, visited Nepal from 17-19 August 2001. The purpose of the visit was to personally convey to His Majesty King Gyanendra the deepest condolences of the President, the Prime Minister, the Government, and the people of India at the grievous tragedy that had struck Nepal in June. The visit was also undertaken to the new King and the newly elected Prime Minister, Mr. Sher Bahadur Deuba, reaffirm to India's commitment to building further on the existing friendship and cooperation between India and Nepal. The visit also provided opportunity to discuss issues of mutual interest to the two countries.

Consultations were held across a broad spectrum through existing bilateral mechanisms between India and Nepal. Some of the important bilateral meetings held include the Joint Working Group on Border Management (June, 2001), the Joint Technical Committee Meeting on Boundary (September, 2001), the Joint Group of Experts Meeting on the Pancheshwar Project (November, 2001) and the Joint Group of Experts Meeting on the Sapta Kosi / Sun Kosi Project (September, 2001).

The Inter-Governmental Committee (IGC) on Trade headed by the Commerce Secretaries of both countries met in Kathmandu on 2 & 3 August 2001, to discuss the various issues related to Trade & Transit and review the functioning of the Trade Treaty between the two countries. The main issue of discussion was renewal of the Trade Treaty expiring on 5 December 2001. Commerce Secretary lead the Indian delegation while the Nepalese delegation was headed by Secretary, Ministry of Industry, Commerce and Supplies, His Majesty's Government of Nepal, Mr. B. P. Acharya. The Government of India on 14 August 2001 gave notice of the intention to seek modifications of certain provisions of the Treaty before extending its validity. This was followed by three more rounds of talks on the revision of the Trade Treaty. An interim extension of the Treaty for three months from 5 December 2001, has been agreed to enable negotiations to conclude.

Following widespread violent attacks by the Maoist extremists, a State of Emergency was proclaimed in Nepal on 25 November. India has extended its support to Government of Nepal for the steps taken by it to restore normalcy and maintain peace and security in the country. India has also offered such assistance as is desired by Nepal in addressing the situation. The Governments of both our countries are in touch with each other in this regard.

Bhutan

India shares a close relationship with Bhutan encompassing mutual trust and friendship in the political arena and mutually beneficial economic cooperation.

As part of the close bilateral cooperation, India continues to be the major contributor to Bhutan's five-year's plans, the first of which commenced in 1961. The Eighth Five year plan (1 July 1997- 30 June 2002) is currently under implementation. The Government of India has provided assistance of Rs. 900 crores. Discussions are currently in progress for Indian development assistance to Bhutan for their Ninth Five Year Plan.

Three Units of the 60 MW Kurichu Hydel Project being implemented with Indian assistance, commenced operation in September, 2001, while the fourth Unit will come on stream next year. Good progress was also made on the 1020 MW Tala Hydroelectric Project also being undertaken with Indian assistance.

The year was marked by continuing close interaction between India and Bhutan. The Health Minister of Bhutan Lyonpo Sangay Ngedup paid an official visit to India from 4 -9 April 2001.

The Crown Prince of Bhutan Dasho Jigme Khesar Namgyel Wangchuck paid an official visit from 20-31 August 2001 during which he called on the President, Minister of External Affairs and Minister of State for External Affairs. He also visited selected premier defence and civilian Institutions in Dehradun, Mumbai, Hyderabad and Bangalore.

Foreign Secretary Smt Chokila Iyer, visited Bhutan from 7-9 May 2001 as part of the regular process of consultations between the two countries. During the visit the Foreign Secretary had an audience with His Majesty the King of Bhutan and had a wide range of talks on issues of bilateral interest.

Bhutanese Foreign Minister Lyonpo Jigme Y. Thinley, visited India from 15-22 October 2001 in connection with the inauguration of Bhutanese exhibition entitled "The Living Religious and Cultural Traditions of Bhutan" in New Delhi. The exhibition was jointly inaugurated in New Delhi on 17 October 2001 by the Bhutanese Foreign Minister and Minister of State for Culture, Smt. Maneka Gandhi. The Kolkata leg of the exhibition was jointly inaugurated by the Bhutanese Home Minister and the Chief Minister of West Bengal on 1 December 2001.

Bhutanese Foreign Secretary Ugyen Tshering visited India from 29 October to 1 November 2001 for Development Cooperation talks between the two countries which were focussed on the allocation of funds for the Eighth Plan of Bhutan and the preliminary discussions on Indian assistance to the Ninth Plan of Bhutan (2002-2007).

The two Governments continued to be in close touch with each other on the presence of ULFA-Bodo militants in Southern Bhutan. The Government of Bhutan reiterated that they would not allow their territory to be misused against the interests of India. In June 2001 Royal Government of Bhutan reached an understanding with ULFA militants to close down four of their camps in Bhutan by the end of December 2001 and to hold discussions thereafter, on winding down the remaining camps. This understanding was endorsed by the National Assembly which also reiterated

that military action would be taken if the understanding was not implemented within the agreed time frame. The four camps are since reported to have been closed.

Pakistan

Agra Summit

On 24 May 2001, Prime Minister Shri Atal Bihari Vajpayee 2001 extended an invitation to the President of Pakistan, General Pervez Musharraf, to visit India for summit level talks. In his letter of invitation Prime Minister wrote: *"India has, through dialogue, consistently endeavored to build a relationship of durable peace, stability and cooperative friendship with Pakistan. Our common enemy is poverty. For the welfare of our peoples, there is no other recourse but a pursuit of the path of reconciliation, of engaging in productive dialogue and by building trust and confidence. I invite you to walk this high road with us"*. Prime Minister also reiterated India's desire to pick up the threads of Lahore and resume the Composite Dialogue.

India's initiative to resume dialogue with Pakistan, at the highest level, was consistent with our traditional approach towards Pakistan, based on the Simla Agreement and the Lahore Declaration, which commits both countries to pursue good neighbourly relations through dialogue and reconciliation. It is not surprising that the initiative was widely acclaimed, both nationally and internationally, as an act of great statesmanship on the part of the Indian Prime Minister.

President Musharraf, accompanied by his wife, Begum Musharraf, arrived in New Delhi on 14 July. He called on the President, who hosted a State banquet in his honour. The Vice-President, Home Minister, the Minister of External Affairs, and the leader of the Opposition in the Lok Sabha called on him. Prime Minister hosted a lunch in his honour the same day. At the retreat in Agra, on 15-16 July, Prime Minister and President Musharraf held several rounds of extensive one-to-one talks for over 5 hours. Talks were also held at the delegation level.

During these discussions, Prime Minister emphasized the importance of creating an atmosphere of trust and confidence for progress on all outstanding issues including J&K. He also took up other specific issues, which would further help the process of peace, including the issue of 54 POWs believed to be in Pakistani jails; the extradition of known terrorists and criminals who have been given sanctuary in Pakistan; the

upkeep of Sikh Gurudwaras and Hindu temples in Pakistan; the treatment of Indian pilgrims visiting shrines in Pakistan; and, the enhancement of mutually beneficial trade. Prime Minister focused on terrorism being promoted in the State of Jammu & Kashmir, and conveyed in clear terms that India had the resolve, strength and stamina to counter terrorism and violence until it is decisively crushed.

In his presentations, President Musharraf focussed almost exclusively on Jammu & Kashmir and re-stated well-known Pakistani positions on Jammu & Kashmir.

The Indian side worked very hard to bridge the vast differences that existed in our respective approaches to bilateral relations, and to arrive at a draft joint document that would move India-Pakistan relations forward. India made proposals for the structure of a future dialogue process on all issues, including meetings at official, Ministerial and Summit levels. Proposals were also made to address the issues of Peace & Security-including nuclear and conventional CBM's, Jammu & Kashmir, terrorism, and on the other subjects of the Composite Dialogue. Eventually, however, this quest for a joint document had to be abandoned because of Pakistan's insistence on the 'settlement' of the Jammu & Kashmir issue as a precondition for the normalization of relations. Pakistan was also reluctant to acknowledge and address cross border terrorism, which it sponsors in India.

Pakistan Sponsored Terrorism

Soon after the Agra Summit, Pakistan extended formal invitations to PM and EAM to visit Pakistan. However, a series of terrorist attacks in Jammu & Kashmir including the massacre of Hindu pilgrims (3 August) and the attack on the Jammu Railway Station (7 August), served to underscore the fact that though Pakistan professed a desire for dialogue in public, it was continuing to sponsor cross-border terrorism in India. It was thus obvious that Pakistan was unwilling to give up its strategy of confrontation, violence and deception, while dealing with India.

The terrorist attacks in the United States on 11 September, radically changed international perceptions on state sponsored terrorism. Pakistan was compelled to join the international campaign against terrorism in Afghanistan. Many media analysts noted the intense international pressure that was brought to bear on Pakistan before it finally agreed to join the international campaign against terrorism. While it joined the international coalition, Pakistan sought to maintain its policy of

sponsoring terrorism in India unchanged. In an address to the Pakistan nation, the President of Pakistan sought to justify his decision to join the international coalition against terrorism in Afghanistan on the grounds that this was the only way Pakistan would be able to protect its so-called "Kashmir cause". During this time, Pakistan based terrorist also continued to conduct terrorist attacks in J&K. On 1 October, terrorists from the Pakistan based Jaish-e-Muhammad (JeM) attacked the J&K State Assembly. Later in the month a similar desperate attempt was made against the Awantipura Airforce Station. Both these attacks were successfully foiled.

However, the abortive terrorist attack against Parliament on 13 December, by elements of the Pakistan based Lashkar-e-Taiba (LeT) and JeM, was undoubtedly the most audacious, as also the most alarming act of terrorism in the nearly two decades long history of Pak-sponsored terrorism in India. This time, the Pakistan based terrorists and their mentors across the border had the temerity to try and wipe out the entire political leadership of India. Much thought and reflection have been given as to why Pakistan based terrorist groups and their mentors decided to raise the stakes so high, even while Pakistan was still professing its support to the international coalition against terrorism. The only answer that satisfactorily addresses this query is that Pakistan-a product of the indefensible Two Nation Theory, a theocratic state with an extremely tenuous traditions of democracy- is unable to reconcile itself with the reality of a secular, democratic, self confident and steadily progressing India, whose standing in the international community is getting inexorably higher with the passage of time.

The 13 December attack against Parliament, as also the 11 September attacks in the United States, have shown that no country can afford to tolerate terrorism any longer. The Prime Minister in his address to the nation on 13 December 2001 declared that India's fight against terrorism has now entered a decisive phase. Those behind the attack on Parliament would be shown that the Indian people are united and determined to stamp out terrorism from the country once and for all.

On 14 December, it was conveyed to Pakistan, through their High Commissioner in New Delhi, that India expected Pakistan to take action against the two terrorist organizations, based in Pakistan, who were responsible for the attack on Parliament. Pakistan was also reminded that under international law it was obliged to take such action. However, the Pakistani authorities continued to show a complete lack of

concern, even going to the extent of making the absurd suggestion that the attack was organized by India's intelligence agencies to discredit Pakistan. In view of this lack of concern, on 21 December, India announced that it had decided to recall its High Commissioner from Islamabad, and would also suspend the services of the Samjhauta Express and the Delhi-Lahore bus service from 1 January 2002.

Despite these steps, Pakistan still failed to grasp the seriousness with which India viewed the attack on her Parliament, and the rejection by the entire cross-section of our country's opinion of Pakistan's sponsorship of cross border terrorism and its promotion of terrorism as an instrument of state policy. In view of this Government announced, on 27 December, some further measures. This included a reduction of the strengths of the respective High Commissions in the two countries by 50 per cent; a restriction on the movement of officials of the Pakistan High Commission in New Delhi and their family members, to the municipal limits of Delhi; and, the suspension of over flight facilities to Pakistan or Pakistan Airlines from 1 January 2002. On 31 December, India also handed over to Pakistan, a list of 20 fugitives from law that had received safe haven in that country, and indicated that we expected Pakistan to take action to apprehend them and extradite them back to India. Additional troops were also moved along the AGPL, LoC and the International Boundary in order to prevent further infiltration of terrorists into India.

On 12 January 2002, the President of Pakistan announced that he would start initiating action against terrorist groups operating in Pakistan, and that henceforth would not allow Pakistan territory to be used for terrorism anywhere in the world, including in Jammu & Kashmir. In a statement issued by the Minister of External Affairs (13 January 2002), India welcomed the newly declared commitment of Pakistan President, and asked that this commitment must also be extended to include all territories under Pakistan's control today. It was also stated, that India would assess the effectiveness of this commitment only by the concrete action Pakistan took on the ground. In this regard, India expected Pakistan to stop all infiltration across the International Boundary and the Line of Control, take steps to end the funding and financing of terrorist groups in Pakistan, and ensure that the daily cycle of terrorist violence in J&K and other parts of India, be brought to an end.

In the 13 January statement, India also reiterated its firm commitment to a bilateral dialogue process with Pakistan in accordance with the Simla Agreement

and the Lahore Declaration. It noted that should the Government of Pakistan operationalize its newly stated commitment to eradicate cross border terrorism, we will respond fully, and would be prepared to resume the composite dialogue process. India's position on Pakistan sponsored cross border terrorism has received widespread support from the international community, which accepts that there can be no justification for terrorism and that terrorism must be eradicated wherever it exists.

Release of Fishermen

196 Indian Fishermen who were in Pakistani custody since March/April 2001 were released by the Government of Pakistan on 30 October 2001. Out of them, 155 were repatriated on 30 October while the remaining 41 were repatriated on 2 November 2001. Another 48 Indian fishermen with 8 boats were released by Pakistan on 9 December and were repatriated to India on 10 December 2001.

India released and repatriated 202 Pakistani fishermen on 3 December 2001. With this, India has repatriated a total of 362 Pakistani fishermen during this year. Pakistan has released a total of 403 Indian fishermen during the year 2001.

Sikh Jathas

The Protocol on Visits to Religious Shrines 1974, inter-alia provides for the visit of four Sikh Jathas to Pakistan each year. Until 1998, SGPC was regularly taking four Jathas to Pakistan on the occasions of Baisakhi (April), Martyrdom of Guru Arjan Dev Ji (May-June), Barsi of Maharaja Ranjit Singh (June-July) and the Birth Anniversary of Guru Nanak Dev Ji (November).

During the current year, first official Jatha consisting of about 1800 pilgrims visited Pakistan in April on the occasion of Baisakhi. The second Jatha of about 600 pilgrims visited Pakistan from 18-27 May 2001 on the occasion of Martyrdom Day of Guru Arjan Devji. The third Jatha of about 260 pilgrims was sent by SGPC from 18-29 June 2001 on the occasion of Barsi of Maharaja Ranjit Singh. On the occasion of Guru Nanak Dev's Birthday celebrations, about 2,200 Sikhs pilgrims left for Pakistan on 27 November 2001.

SAARC

The long overdue Eleventh Summit of the South Asian Association for Regional

Cooperation was held from 4-6 January 2002 at Kathmandu. The Summit was attended by the Prime Minister and the Minister of External Affairs. Foreign Secretary and other senior officers from the Ministry and Prime Minister's Office also attended. All other Heads of State/Government from SAARC member States also participated. The Summit was preceded by the meetings of the Programming Committee, Standing Committee and the Council of Ministers from 28 December 2001 to 3 January 2002. The final Kathmandu Declaration that came out of the 11th Summit is a well balanced document that covers all areas of interest and concern to SAARC. The Ministry was specially satisfied that many of India's view points on crucial items including the economic agenda, the social issues of poverty etc. and on terrorism got reflected adequately in the final Declaration. Important items deliberated during the Summit are as below:

- (i) **Poverty Alleviation** - The Summit expressed its firm resolve to tackle the problem of poverty by actively promoting the synergetic partnership among national governments, international agencies, private sectors and civil society. It was agreed that a special session at the Ministerial level should undertake a comprehensive review of the status of implementation of poverty eradication policies and programmes carried out thus far, and to recommend further concrete measures to enhance operation at the regional level to the Twelfth SAARC Summit. It was also agreed to reconstitute the Independent South Asian Commission on Poverty Alleviation to review the progress made and suggest appropriate effective measures on poverty alleviation.
- (ii) **Economic Cooperation** - The Heads of State/Government agreed to accelerate cooperation in the core areas of trade, finance and investment leading to a South Asian Economic Union step-by-step. It was agreed to hold the Fourth round of trade negotiations under SAPTA, the meeting of the Inter-governmental Group on Trade Liberalization and to finalize the draft treaty framework for SAFTA by the end of 2002. Keeping in view the vast tourism potential of the region, it was agreed to take measures to promote South Asia as a common tourist destination through joint efforts such as upgrading of infrastructure, air linkages, simplification and harmonization of administrative procedures. It was also agreed to implement the SAARC Environment Plan of Action.

(iii) Cooperation in the Social Sector - The Summit signed the SAARC Convention on Preventing and Combating the Trafficking in Women and Children for Prostitution and Convention on Regional Arrangements for the Promotion of Child Welfare. The need to finalise the SAARC Social Charter including important areas of poverty eradication, population stabilization, empowerment of women, youth mobilization, human resource development and promotion of health and nutrition, fight against disease, literacy etc. was reiterated. The Council of Ministers decided to defer for the time being consideration of enlargement of the Visa Exemption Scheme. The encouragement to people-to-people contact was also recognized by the Summit.

(iv) Terrorism - The Heads of State/Government were convinced that terrorism, in all its forms and manifestations is a challenge to all states and humanity at large and cannot be justified on ideological, political, religious or any other ground. The leaders agreed that terrorism violates the fundamental value of the United Nations and the SAARC Charter and constitutes one of the most serious threats to international peace and security in the twenty-first century. It was unanimously recognized that there is a distinct link between terrorism, drug trafficking, money laundering and other trans-national crimes. The commitment was reaffirmed to accelerate the enactment of enabling domestic legislation within a definite time frame for the full implementation of the already signed SAARC Regional Convention on Suppression of Terrorism.

(v) UN and other International Agencies - The Heads of State/Government reiterated their firm support for the principles and purposes of the United Nations in order to create a just, balanced and equitable world order. The need to take appropriate measures to make international financial institutions at the global trading regime more responsive to the needs and concerns of the developing countries was emphasized.

(vi) In addition, the Summit discussed the report of the Group of Eminent Persons. As per rotation, the next Summit will be hosted by Pakistan tentatively in early 2003. The appointment of Mr. Q.A.M.A. Rahim from Bangladesh as the next SAARC Secretary General was approved.

Though there was a gap of three and a half years between the Tenth Summit

(July 1998) and the Eleventh Summit (Jan 2002), the activities under SAARC continued uninterrupted during 2001-2002. Important events were:

- (a) The Eighth meeting of the SAARC Food Security Reserve Board was held in Kathmandu from 10 & 11 April 2001.
- (b) The first meeting of the Inter-Governmental Expert Group to draft a SAARC Social Charter was held in Colombo on 24 & 25 April 2001.
- (c) The Third Special Session of the SAARC Standing Committee (Foreign Secretary level) met in Colombo on 9 & 10 August preceded by the Preparatory Committee on 7 & 8 August 2001. The Committee covered a wide range of topics including administrative matters of the Association and regional cooperation in economic, cultural and social spheres.
- (d) India hosted meetings of SAARC Commerce Secretaries and Commerce Ministers on 22 & 23 August 2001 in New Delhi to formulate a common SAARC position on WTO issues prior to the WTO Ministerial Conference in November 2001 in Doha.
- (e) The Confederation of Indian Industry in association with FICCI participated in the Third SAARC Trade Fair organized by the Export Promotion Bureau, Govt. of Pakistan at Karachi from 1-6 September 2001
- (f) The Second Meeting of the Governing Board of SAARC Human Resource Development Centre was held in Islamabad on 26 & 27 September 2001.
- (g) The Fifteenth Meeting of the Governing Board of SAARC Agricultural Information Centre was held at Dhaka on 24-26 September 2001.
- (h) The First Meeting of the Technical Committee on Human Resource Development was held in Colombo on 18 & 19 October 2001.
- (i) A meeting of the Sectoral Focal Point on Economic Cooperation was held at Kathmandu on 21 & 22 October 2001.
- (j) A meeting of SAARC Cultural Secretaries was held on 1 & 2 November in Colombo.

With Asian Development Bank's assistance, Inception meetings on trade, investment, energy, environment and transport sectors took place under the South Asian Growth Quadrangle comprising Bangladesh, Bhutan, India and Nepal (BBIN).

Several activities were organized by NGOs under SAARC. These were: the 5th Dinesh Singh Memorial Lecture by the Indian Council for South Asian Cooperation, New Delhi, meeting of the SAARC Book Development Council by the Federation of Indian Publishers, International Workshop on Promotion of Investment and Trade in the Eastern South Asian Sub-region by the South Asia Research Society, meeting of SAARC Chartered Accountants' Forum and SAARC Writers' Conference by the Academy of Fine Arts and Literature.

Important scheduled events from 17 January to 31 March 2002 are: Fourth Round

of SAPTA negotiations on 27 & 28 January in Kathmandu, Second Meeting of the SAARC Standing Group on Standards, Quality Control and Measurements, by Bureau of Indian Standards, New Delhi from 4-6 February.

India has shouldered a major share of the responsibility for SAARC activities and vigorously promoted trade and other forms of economic, social and technical cooperation within SAARC. India also actively supports people-to-people initiatives aimed at fostering greater mutual understanding and goodwill in the region.



South East Asia and the Pacific

India's relations with the countries in South-East Asia have traditionally been close and warm because of a common historical legacy, cultural affinities and, of late, economic and commercial interaction. The termination of the cold war and the liberalization of Indian economy beginning in the early 90s, culminated in the 'Look East' Policy which further extended and diversified India's relations with the ASEAN region. This policy was translated into a number of high level visits taking place from both the sides. The Prime Minister visited Malaysia in May 2001 and was scheduled to visit Australia and Singapore in October this year. Unfortunately, these visits had to be postponed because of the terrorist attack on the World Trade Centre in New York on 11 September 2001. These visits along with a visit to Australia for the CHOGM Summit in Brisbane is likely to take place in March 2002. During the period under report the Thai Prime Minister Dr. Thaksin Shinawatra visited India in November 2001, and our Vice President visited Vietnam and Indonesia in June this year. In addition, there were number of other visits from both sides at ministerial and at senior official levels.

India's relationship with ASEAN which was initiated in 1992 when India was accepted as a Sectoral Dialogue Partner, matured into a Full Dialogue Partnership in 1996 along with our membership of the ASEAN Regional Forum (ARF). During the period under report, it has been indicated during the Brunei ASEAN Summit held in November 2001 that there was a consensus among the ASEAN countries that a summit level meeting should take place between ASEAN and India. This upgrading of our interaction with the ASEAN is a very positive development in our relationship with South-East Asia.

Bilateral trade between India and ASEAN, which had reached a high of US\$ 7.35 billion in 1999-2000, came down marginally to US\$ 6.96 billion in 2000-01. Though there was an increase in Indian exports to ASEAN by about 30 per cent, the lower imports, especially in the commodity sector brought down the volume of trade. However, during the first four months (April – July 2001) of the current financial year, trade has picked up again from US\$ 2.17 billion, for the corresponding period last year, by 2.46 per cent to reach US\$ 2.46 billion. India's exports during this period has increased by about 21 per cent whereas India's imports from ASEAN have increased by about 9 per cent. However, India's trade with South Pacific Islands which had reached US\$ 1.62 billion in 2000-01 is showing a marginally declining trend during first four months of the current financial year.

With Australia and New Zealand, the momentum generated by renewal of friendly relationship last year was continued. The Minister of External Affairs (EAM) visited Australia and New Zealand in June 2001, the first stand alone visit by an Indian Foreign Minister to these countries in the last two decades. EAM had the inaugural meeting of Ministerial Level Framework Dialogue with Australian Foreign Minister Downer and the two countries had set up a 'Strategic Dialogue' at official level, the inaugural session of which was held in August 2001. There were also a number of Ministerial Level visits between India and these two countries during the period under report.

India continued its cordial and friendly relations with South Pacific Island countries with the exception of Fiji where the internal developments continued to

have an impact on our relationship even after the post-election period when Mr. Mahendra Chaudhry was bypassed both for a partnership in the Government and for the status of leader of the opposition. While there were no high level visits in case of other South Pacific Island countries, regular contacts were maintained at diplomatic level and also at the meetings of international and multilateral fora.

Australia

Bilateral relations between India and Australia were further consolidated with a number of Ministerial and other high level visits taking place from India and from Australia.

The Senior Officials Meeting (SOM) was held in Canberra on 26 April, which was led by Secretary (West), Shri R.S. Kalha from the Indian side and Secretary, Department of Foreign Affairs and Trade, Dr. Ashton Calvert from the Australian side.

Minister of Information Technology and Parliamentary Affairs, Shri Pramod Mahajan led an IT delegation to Australia in April and held discussions with his counterpart, Minister for Communications, Information Technology and the Arts, Senator Richard Alston. An MoU between NASSCOM and the Australian Information Industry Association (AIIA) was also signed.

Shri Pramod Mahajan also led a goodwill delegation of Parliamentary Whips in May 2001. The delegation had joint meetings with the President of the Senate, Senator Margaret Reid and Speaker of the House of Representatives, Mr. Neil Andrew and met members of the Australia-India Parliamentary Group.

India-Australia relations received new momentum with the visit of Minister of External Affairs and Raksha Mantri, Shri Jaswant Singh to Australia in June 2001. During the first stand alone bilateral visit over two decades by an Indian Foreign Minister, the India-Australia Foreign Ministerial Framework Dialogue was launched. During this dialogue, a range of activities of mutual interest were identified. The highlight was the announcement to hold a Security Dialogue which was later held in New Delhi on 30 August 2001. This was preceded by Track II diplomacy in the form of an Australia-India Security Round Table in New Delhi in July between the Australian Defence Studies Centre and the Centre for the Study of National Security, Jawaharlal Nehru University.

Defence relations which were suspended in the aftermath of 1998 nuclear tests have resumed with the repositioning of Defence Attaches after a gap of 3 years. Defence Secretary, Shri Yogendra Narain visited Australia in September, as a follow up of EAM and RM's meeting with Defence Minister Mr. Peter Reith in June 2001.

A large delegation of Members of Parliament and Assembly speakers from different states led by Lok Sabha Speaker, Shri G.M.C. Balayogi and Deputy Speaker, Shri P.M. Sayeed visited Australia in September to attend the 47th Commonwealth Parliamentary Association Conference. Minister of Rural Development, Shri M. Venkaiah Naidu visited Australia in October in connection with the Commonwealth Local Government Forum (CLGF) Board meeting. Minister for Health and Family Welfare, Dr. C. P. Thakur led a 62-member delegation to the 6th International Conference on AIDS in Asia and the Pacific held in Melbourne in October. Chief Election Commissioner Shri J.M. Lyngdoh visited Australia at the invitation of the Australian Election Commission to observe the Federal Elections which were held on 10 November.

The Governor of Andhra Pradesh, Dr. C. Rangarajan visited Australia in November 2001 to deliver the K.R. Narayanan oration on 'Monetary Policy in a Developing Country - The Case of India'. The oration was held at the Australian South Asian Research Centre (ASARC) of the Australian National University and included a message from President K.R. Narayanan, which was read out by the High Commissioner of India, Shri R.S. Rathore. Simultaneously ASARC also held a seminar on Ten Years of Economic Reforms in India.

At the academic level, Canberra University South Asia Group, School of Creative Communication and Culture Studies held an India Update Seminar in October which was supported by the Australia-India Council and the High Commission of India on the theme of 'Shared Heritage: the Common Ground'. The India-Australia Council continued to support a wide range of activities in India and Australia, thus, promoting bilateral links in the fields of business, education, social sector, culture, sports and media.

India's bilateral trade with Australia continued to decline marginally. During the first four months of the current financial year our exports to Australia have come down from US\$ 158.26 million to US\$ 142.53 million whereas our imports have also declined from US\$ 410 million to US\$ 402.8 million during the first four

months of the current financial year i.e., April to July 2001, when compared to the corresponding figures in 2000-01.

The Indian Delegation to the CHOGM 2002, which was held from 2-5 March, was led by the Minister of External Affairs Shri Jaswant Singh.

Brunei

Bilateral relations with Brunei Darussalam continued to be cordial and friendly. Ongoing efforts were sustained for further upgradation of bilateral relations and cooperation. India's interactions with Brunei in bilateral as well as regional and international fields have been marked by friendship and mutual understanding.

Important areas of our interactions were Science and Technology, Sports and Culture.

India participated in the 6th ASEAN Science & Technology Week organized in Brunei from 17-21 September 2001. Seven scientists and two officials from Technology Information, Forecasting and Assessment Council (TIFAC), Department of Science & Technology, New Delhi, participated in the event. The Indian scientists took part in the ASEAN Science Congress held in Brunei during the Science & Technology Week and presented papers on various themes such as biotechnology, food science and technology, marine science and technology, material science and technology, meteorology and geophysics, microelectronics and information technology, non-conventional energy research, science and technology, infrastructure and resources development and space technology and applications.

In the field of sports, India's national football team visited Brunei to play the pre-world cup 2002 qualifying matches from 9-13 May 2001. An Indian contingent of 30 athletes (15 boys and 15 girls) accompanied by 10 officials led by Minister of Public Works of Rajasthan, Shri Rajinder Mirdha visited Brunei to take part in the 9th Asian Amateur Junior Athletic Championships from 18-22 July 2001.

A 20-member Magic Troupe led by Shri P.C. Sorcar Jr. visited Brunei from 4-10 October 2001. Three shows were organised by the mission in cooperation with Brunei Ministry of Foreign Affairs and Royal Brunei Airlines. Bruneian response to the shows was enthusiastic.

Brunei has extended its full support to our candidates seeking elections to the posts in the ECOSOC, ICAO and ILC.

A 5-member Parliamentary Delegation from India led by Shri Mohammad Anwarul Haque, MP, visited Brunei from 1-3 February 2002 to brief the Brunei dignitaries about the situation in South Asia and India's continued efforts in the war against terrorism. The delegation had meetings with the Sultan of Brunei, Foreign Minister, Home Minister, etc. Prime Minister of India is likely to visit Brunei in April 2002.

Cambodia

The Indo-Cambodia relations scaled a new height with the visit of the Vice President of India, Shri Krishan Kant, to Cambodia from 2-5 June 2001. The State visit commenced with a stopover in the fabled temples of Angkor Wat. After visiting the temples, the Vice President, in an exchange of views with King Norodom Sihanouk and Prime Minister Samdech Hun Sen, expressed India's readiness to associate with the renovation of more temples in the Angkor area, in response to their request. Other important topics including Cambodia's support for India's membership in an expanded Security Council, Summit level association of India with ASEAN, South-South co-operation and enhanced ITEC assistance to Cambodia were discussed. The Vice President announced increases in training slots under the ITEC from 30 to 40 in civil training, and from 5 to as many as 21 in the military training for Cambodians. The gesture was deeply appreciated.

Cambodia has consistently supported India for membership of numerous world bodies inside and outside of UN.

Fiji

Internal developments in Fiji continued to concern India. While elections did take place in Fiji, the establishment of a constitutional Government in the country is still awaited.

After the Court of Appeal ruling in March 2001 upholding Fiji's 1997 Constitution, elections were held from 25 August to 1 September 2001. The elections were monitored by observers from the UN, Commonwealth and ACP-EU. Caretaker Prime Minister, Mr. Laisenia Qarase's SDL party emerged with the largest number of seats, 32 in a House of 71. Mr. Mahendra Chaudhry's Labour Party won the second largest number with 27 seats.

While international observers were of the view that although the elections were not perfect, and Mr. Chaudhry even alleged rigging, the elections reflected the wishes of the people. Mr. Qarase was appointed the Prime Minister, but the provisions of the Constitution providing for power-sharing and the formation of a multiparty Cabinet with proportionate representation of parties with at least 10 per cent of the seats in the House was overlooked. The Labour Party, which was the only other party with over 10 per cent of the seats in the House of Representatives, was not included in the Qarase government. In another apparent disregard of the Constitution, some Labour party nominees for the Senate were also overlooked by the government. Both these matters are presently before the courts in Fiji.

The Commonwealth decided to maintain status quo regarding Fiji's readmission into the Councils of the Commonwealth. The Government of India would like to see Fiji returning to constitutional democracy. Only under a constitutional set up that assures equal political, economic and social rights to all its citizens, can there be peace and stability in that country.

The Commonwealth Ministerial Action Group on the Harare Declaration (CMAG), in its meeting on 20 December 2001, decided that in view of the progress made so far in restoring democracy in Fiji, the country's suspension from the Councils of the Commonwealth would be lifted. The CMAG, however, decided to keep Fiji on its agenda pending ruling of the court on constitutionality of Prime Minister Qarase's Cabinet. The court case is coming up for hearing in February 2002.

The Government of India would like to see Fiji returning to constitutional democracy. It is only under a constitutional set up that the country would be able to look after the interests of all sections of its society, including those of people of Indian origin.

Indonesia

With Indonesia, the largest among the ASEAN countries, India has much in common : cultural diversity, large populations, and an economic agenda that focuses on development. India-Indonesia relations during this period have been marked by traditional warmth and mutual understands.

President Abdurrahaman Wahid's 18-month rule brought new momentum to the relationship between India and Indonesia. During his Presidency, exchange of visits at the highest level followed by several Ministerial visits opened new avenues for cooperation. Elevation of Vice President Megawati to the Presidency on 24 July 2001 continued to give the necessary support in enhancing and consolidating India's relationship with Indonesia. Her Government has shown keen interest in collaborating with India in a number of fields, in particular, science & technology, education and pharmaceuticals.

The Vice President Shri Krishan Kant led an Indian delegation to Indonesia for the G-15 Summit in May 2001. Minister of State for External Affairs Shri U.V. Krishnam Raju accompanied the Vice President. Minister of State for Small Scale and Medium Industries, Smt. Vasundhara Raje visited Indonesia in May (25 & 26 May) as a Key-note Speaker in the G-15 Seminar on small-scale and medium industries. Minister of Telecommunication, Shri Ram Vilas Paswan, visited Indonesia in May 2001 (14-17 May) to participate in the Second Asia Pacific Telecommunication and Information Technology Forum and Exhibition. Indonesian Minister for Industry and Trade, Mr. Luhut Panjaitan, visited India on 23 & 24 April.

EAM met the Foreign Minister of Indonesia (FMI) in New York, on the sidelines of 56th UNGA on 14 November 2001. EAM thanked FMI for Indonesian support to the proposal for ASEAN-India Summit Dialogue. FMI referred to the proposal for a visit by President Megawati to India next year stating that she attaches a significant importance to this visit. He also stated that there is a great potential for cooperation between India and Indonesia in many areas including trade. EAM responded stating that we are looking forward to the visit. He also reminded FMI of his own visit to India due for the Joint Commission Meeting. EAM added that we are committed to increasing trade and economic cooperation. FMI, agreeing with EAM said that pharmaceutical sector is of particular importance to Indonesia specially in the context

of post 2003 ASEAN Free Trade Area (AFTA) which will open a big market for such products. EAM confirmed that joint ventures in pharmaceuticals are a crucial area and there is a need to produce medicines that are cost effective and affordable.

India's bilateral trade continued to recover from the downturn brought about by the 1997 Economic Crisis. Overall trade marginally increased from US\$ 1.28 billion in 1999-2000 to US\$ 1.3 billion in 2000-2001. During the first four months of the current financial year (April – July 2001) bilateral trade came down marginally from US\$ 554 million to US\$ 551 million.

Cooperation in the field of defence also saw a marked increase. Chief of Naval Staff, Admiral Sushil Kumar, visited Indonesia in August 2001. 26 officers from the Indonesian Army, Navy and Air Force received defence training under Indian Technical and Economic Cooperation Programme. Indian naval ship, INS Jamuna, paid a goodwill visit to Indonesia. India and Indonesia carried out a joint hydrographic survey in the Benggala Strait (between Greater Nicobar and North Sumatra).

A 5-member Parliamentary Delegation from India led by Shri Mohammad Anwarul Haque, MP, is scheduled to visit Indonesia from 5-8 February 2002 to brief the Indonesian dignitaries about the situation in South Asia and India's continued efforts in the war against terrorism.

Lao PDR

Deputy Chief of Army Staff (DCOAS), Lt. Gen. R.K. Sawhney visited Laos from 28 May-1 June 2001 to review the ongoing cooperation in the field of army training. Bilateral defence cooperation with Laos was also reviewed during the visit.

Vice President of the Lao National Assembly and President of the Lao Women's Union (LWU), Mrs. Onechanh Thammavong paid a 10-day visit to India 24 June-3 July under the Distinguished Visitors' Programme of the ICCR. She met, among others, Deputy Chairperson of the Rajya Sabha, Dr. Najma Heptulla and Chief Minister of Delhi, Mrs. Shiela Dixit. She visited Delhi, Kolkota and several Buddhist pilgrimage sites in India.

As part of the implementation of the Work Plan for Agricultural Cooperation, Dr. P. Das, Deputy Director General (Extension) visited Laos for a week in September to study the agricultural extension system in the country.

A Mini India Week was organized by the Mission in March comprising an Indian Food and Film Festival (a retrospective of Raj Kapoor films). The funds raised during the Food Festival were partly utilised for Gujarat Earthquake victims, and the remaining to a local NGO providing orthopaedic and prosthetic equipment to disabled people.

The Mission, together with the National Book Trust of India, organized the first-ever Indian Book Exhibition in Vientiane from 22-30 September.

Mrs. Padmini Dorairajan led a five-member Bharatanatyam dance group to Laos in October 2001 under an ICCR sponsored regional tour, and presented two performances.

India's assistance to Laos in the field of human resource development in the form of scholarships for pursuing short-term and medium-term training in various fields continued during this period.

Twenty Lao Army officers visited India (since 25 November) to attend a special six-week training module in prestigious Indian defence training institutions such as NDA and CME, under the ITEC programme.

19 Lao Army officers attended a special 'round-up' training module from 25 November 2001 to 1 January 2002 in prestigious Indian defence training institutions such as NDA and CME, under the ITEC programme.

The ICCR sponsored dance performances, i.e., Bhangra and Giddha, and Kathakali will be held in Vientiane on the 30 January and 12 February 2002, respectively.

Malaysia

India-Malaysia relations were strengthened with the visit of Prime Minister of India to Malaysia from 13-16 May 2001. This visit by an Indian Prime Minister took place after a gap of six years. Prime Minister was accompanied by Minister of Information Technology and Parliamentary Affairs, Shri Pramod Mahajan and the then Minister of State for Commerce & Industry, Shri Omar Abdullah. The highlight of the visit was the signing of seven Government-to-Government Agreements/MoUs. In particular, the US\$ 1.5 billion contract to M/s IRCON International Ltd. for double tracking and electrification of Ipoh-Padang Besar Section Railway Line was the single

largest project awarded to an Indian company abroad. The other Agreements/MoUs pertained to areas of Consular Matters; Avoidance of Double Taxation & Prevention of Fiscal Evasion; Stock Market and Security Exchange; Construction, Privatization and Management of Sea Ports in India; Cooperation in Information Technology and Services; Cooperation in the field of Civil services, Personnel Management and Public Administration.

Prime Minister had in-depth discussions with Prime Minister Mahathir on various issues of bilateral, multilateral and international importance. This visit provided an important impetus to the bilateral relationship between India and Malaysia.

During the visit, the Malaysia-India Business Forum was jointly organized by the ASEAN Strategy and Leadership Institute of Malaysia (ASLI), the National Chamber of Commerce & Industry of Malaysia (NCCIM), and the Confederation of Indian Industry (CII), and the Federation of Indian Chambers of Commerce & Industry (FICCI).

Prime Minister was accompanied by a high level business delegation, comprising over 70 captains of Indian industry. Close to 1000 Malaysian CEOs and business leaders participated in the Forum. Prime Minister addressed the Forum on the theme "Enhancing Malaysia-India partnership: A Shared Vision for the 21st Century". Sixteen business-to-business joint venture Agreements/MoUs were signed during the Business Forum Meeting. A Malaysia-India Technology Show and an Educational Fair were held at the venue of the Forum which were witnessed by Prime Minister and Prime Minister Mahathir.

PM also delivered a public lecture at the Institute of Diplomacy and Foreign Relation on the theme "India and ASEAN: Shared Perspectives". A credit line of US\$ 50 million for export of industrial goods from India was also opened on this occasion.

Other important visits during the year included a visit by Minister for Tourism and Culture, Shri Anant Kumar, Speakers of State Legislative Assemblies, Deputy Chairperson of Rajya Sabha, Smt Najma Heptullah, Vice Chief of Army Staff Lt. Gen. Vijay Oberoi. From Malaysia India received visits by Malaysian Minister of Primary Industries, Dato Lim Keng Yaik, (April 2001), Malaysian Minister of Culture, Arts and Tourism, Dato Abdul Kadir and Malaysian Minister of Information, Tan Sri Khalil

Yaakub, (October 2001) during this period. The Malaysian Minister of Works, Dato Seri S. Samy Vellu visited West Bengal, Tamil Nadu and Kerala from 25 November and 1 December 2001.

Malaysia took over as the Country Coordinator on behalf of ASEAN in the context of India-ASEAN relations, and greatly assisted us in achieving greater cooperation between India and ASEAN.

Bilateral trade with Malaysia which had reached a figure of US\$ 2.4 billion in 1999-2000 came down to about US\$ 1.7 billion in 2000-01. This was mainly owing to a decline in India's imports from Malaysia, particularly of palm oil. However, during the first four months of the current financial year there has been a marked increase in India's bilateral trade from US\$ 526 million to US\$ 609 million when compared to 1999-2000. This increase is basically because of an increase of about 55 per cent in India's exports to Malaysia.

Two Indian Naval Ships (INS Rana and INS Khanjar) visited Penang, Malaysia from 26-29 December 2001 on a goodwill visit.

4th ASEAN-India Joint Cooperation Committee and 5th ASEAN-India Working Group meeting was held in Kuala Lumpur from 24-26 January 2002. Secretary(ER) led the Indian delegation to these meetings.

A 5-member Parliamentary Delegation from India led by Shri Mohammad Anwarul Haque, MP, visited Malaysia from 3-5 February 2002 to brief the Malaysian dignitaries about the situation in South Asia and India's continued efforts in the war against terrorism. The delegation had meetings with the Deputy Prime Minister of Malaysia, President of the Senate of Malaysia, Deputy Foreign Minister as well as Ministers of Culture, Arts, Tourism and Works.

A 12-member Bhangra and Giddha group sponsored by ICCR is scheduled to visit Malaysia from 4-8 February 2002.

ICCR is sponsoring a 12-member Kathakali group of Gandhi Seva Sadan to Malaysia from 4-11 February 2002.

The Islamic Arts Museum in Kuala Lumpur, with the cooperation of the National

Museum, Delhi is scheduled to organise an Exhibition of Islamic Art of India in February 2002 at the Islamic Arts Museum, Kuala Lumpur.

Three Indian Naval ships are scheduled to visit Malaysia from 21-24 March 2002.

New Zealand

There is a new momentum in our bilateral relations with New Zealand. This momentum owes much to the visit of New Zealand Foreign Minister, Mr. Phil Goff to India in March 2001 and the return visit by EAM in June the same year.

Minister of Information Technology and Parliamentary Affairs, Shri Pramod Mahajan visited New Zealand from 5-9 April 2001 at the invitation of New Zealand Minister for Information Technology and Communications. The visit was aimed at projecting India's potential in the field of Information Technology, and to encourage collaboration between the IT industries of the two countries. Shri Mahajan again led a Parliamentary Goodwill Delegation of Whips to New Zealand from 20-23 May 2001. Minister of State for Food Processing Industries, Shri T. Chaoba Singh visited New Zealand from 7 May to 2 June 2001.

Minister of External Affairs visited New Zealand between 23-25 June 2001 at the invitation of Mr. Phil Goff, Minister of Foreign Affairs and Trade of New Zealand. During the visit, EAM called on the Prime Minister of New Zealand, Ms. Helen Clark, and also held detailed discussions with Mr. Phil Goff and Defence Minister Mr. Mark Burton.

Minister of Information Technology, Communications and Commerce of New Zealand, Mr. Paul Swain came to India between 30 November to 7 December. Apart from New Delhi, he also visited Mumbai & Bangalore. In New Delhi, he met with Minister of IT and Parliamentary Affairs, Shri Pramod Mahajan and Minister of Commerce & Industries, Shri Murasoli Maran. An Agreement for Co-operation in the area of Information Technology was signed on 7 December. The visiting Minister also delivered the keynote address at the 10th India-New Zealand Joint Business Council Meeting which was held in New Delhi.

Two Indian Naval ships, the guided-missile destroyer INS Mumbai and tanker INS Jyoti visited Wellington from 9-12 October. Capt. Sanjeev Bhasin of INS Mumbai

called on Chief of Defence Forces, Chief of Naval Staff and others. This was the first ever visit of Indian Naval Ships to New Zealand.

India's exports to New Zealand during the year ending June 2001 reached a record level of \$ 181.7 million, which was 9.5 per cent more than the corresponding period last year. India's imports from New Zealand during the same period were valued at \$ 163.8 million.

Philippines

India-Philippines bilateral ties have shown encouraging signs. Former President of the Philippines, Mr. Fidel V. Ramos visited India from 10-13 June 2001 as Special Envoy and Personal Representative of President of the Philippines. He called on our President. The purpose of his visit was to renew the ties of friendship between our two countries.

During the visit of Mr. Fidel V Ramos, a prominent street in New Delhi was named after Philippine national hero, Dr Jose P Rizal. Earlier, a street in Manila had been named after Mahatma Gandhi.

The two countries extended reciprocal support to each other's candidatures at various international fora.

The Indian Coast Guard vessel, Sangram called at the port of Manila during 14-16 May. The then President Ordnance Factory Board of India participated in the 7th International Aviation, Maritime and Defence Exhibition in Manila in April 2001. Presentations were also made to the Armed Forces of the Philippines on India's defence capabilities in order to help promote bilateral defence cooperation.

Bilateral trade grew by over 36 percent in the period April-July 2001 as compared with similar period in 2000. India's exports to the Philippines recorded a significant growth of 31 per cent in dollars terms. Special efforts were made to boost Indian exports in pharmaceutical and commodities sectors. A 15-member trade delegation from Chemexcil concluded a very successful visit to the Philippines in September 2001. A Philippines Information Technology delegation visited ELITEX and NASSCOM IT events in India. Collaboration in the IT sector, particularly in IT education, cartoon films and software development was very encouraging. NIIT and APTECH opened a total of eight schools in the Philippines.

Shri Rajendra Singh of India was awarded 2001 Ramon Magsaysay Award in Community Leadership. This received very wide and positive publicity in the local press and media both in India and in the Philippines.

The Philippine government has also agreed to give five-year, long-term visa to Indian nationals married to Filipinos and their families. This was well received by the Indian community in the Philippines.

A defence delegation led by Deputy Chief of Staff, Intelligence Armed Forces of the Philippines, General Virgilio G. Totanes visited India from 12-15 January 2002.

The two Indian naval vessels - INS Rana and INS Khanjar visited Philippines on a goodwill visit on 18-21 December. On this occasion Flag Officer, Commanding-in-Chief, Eastern Naval Command, Vice Admiral John De Silva had talks with Secretary of National Defence of the Philippines Gen. Angelo Reyes and Philippine Naval Chief Real Admiral Victor Hingco.

A 5-member Philippine delegation led by Willy Gaa, Assistant Secretary for Asian & Pacific Affairs, Department of Foreign Affairs, visited India to participate in the ASEAN Regional Forum Inter-sessional Group Meeting on Confidence Building Measures held in New Delhi from 19-21 December 2001.

PNG

India and Papua New Guinea (PNG) continued to maintain friendly relations. PNG continued to support India's candidature to various international organisations. India offered ten slots under the ITEC Scheme, ten under the Special Fund for Technical Co-operation, and six under Colombo Plan for the training of PNG nationals in Indian institutions.

A two-member delegation from the Indian Navy participated in the 2000 Western Pacific Naval Symposium in Port Moresby from 14-17 September 2001.

South Pacific Countries

India maintained cordial and friendly bilateral relations with South Pacific Island countries, though contacts with them were only at the diplomatic level, and at multilateral and international fora.

India offered ten slots each to Solomon Islands and Vanuatu under our ITEC Programme.

Singapore

India's bilateral relations with Singapore continued to grow strong both in the economic and political fields. The Prime Minister was scheduled to visit Singapore in October 2001, but the visit was postponed after the terrorist attack in New York on 11 September 2001. The visit is likely to take place in 2002.

The first meeting of the India-Singapore Task Force on Economic Cooperation took place in New Delhi on 26 April 2001. During the course of the discussions, issues involving customs, study of port operations in Singapore, revenue implications of the proposed free trade area and transshipment of third country goods from Singapore were discussed. A presentation on India's Investment and Trade opportunities was also made. The issue of more investments and enhanced rate of realization of approved investment proposals was discussed. It was agreed that a list of FIPB approved projects on which there was no further progress would be given to the Singapore authorities for further follow up. Issues pertaining to civil aviation, tourism, research and development, shipping and ports were also discussed during the meeting.

A number of ministerial visits, both direct or transit, took place from India to Singapore. Minister of Finance, Shri Yaswant Sinha visited Singapore on an invitation from his counterpart in May 2001, and discussed issues pertaining to bilateral investment and trade improvement. Minister for Information technology visited Singapore in October this year for the inauguration of an India-Singapore Technology Exposition (ISTEX) organized by CII in collaboration with Indian High Commission. This was a part of an India Week celebrations that was to coincide with Prime Minister's visit which had to be postponed. However, various cultural, commercial and economic manifestations were held on schedule during the India Week. This included the India Business Conference series and an Indian Cultural Festival. PM Goh Chok Tong met the CII delegation led by Shri Sanjeev Goenka.

Singapore replaced Malaysia as India's largest trading partner in ASEAN in the year ending March 2001, with a trade turn over of US\$ 2.3 billion. The same increasing

trend was visible during the first four months of the current year, April to July 2001, when our bilateral trade reached US\$ 773 million against US\$ 693 million during the corresponding period in the previous year. Singapore companies continued their investments in India, despite the set back received owing to the SIA having withdrawn their offer in the privatization project of Air India.

Singapore's Acting Minister for Information, Communications and the Arts Mr. David Lim made a 3-day visit to India from 3 December 2001. He attended the World Economic Forum's India Economic Summit, where he spoke on areas of growth in the IT and telecom sectors. Mr. Lim, who is also Senior Minister of State for Defence, visited the Singapore-India technology park in Bangalore.

Thailand

Relations between India and Thailand have seen a qualitative strengthening owing to our working together within the framework of India-ASEAN Dialogue Partnership as well as in the framework of BIMST-EC and Mekong Ganga-Cooperation.

There were two high-level visits from Thailand to India this year. Minister of Foreign Affairs of Thailand, Dr. Surakirat Sathirathai visited India from 11-13 July 2001 and Prime Minister of Thailand, Dr. Thaksin Shinawatra paid a State visit to India from 26-29 November 2001. The third high level visit is that of the Queen of Thailand who would come to India on a State visit from 1-15 February 2002.

During the visit of the Thai Prime Minister, the Prime Ministers of the two countries held discussions on all aspects of bilateral relations between India and Thailand as well as on regional and international issues. Discussions were also held on measures to diversify and strengthen bilateral relations in a wide range of areas, particularly with regard to trade, economic, and scientific co-operation. Several areas of interest to both sides such as IT, Road Transport, Science and Technology and Tourism were identified. It was agreed to set up a Joint Working Group, at government level, to undertake a feasibility study on a Free Trade Area Agreement between the two countries.

In the area of trade, possibility of instituting an account trade agreement and cooperation in the field of rice trade were the other two issues discussed. The discussions also highlighted security issues of concern to the two countries and the

need to co-operate on matters relating to international terrorism, drug trafficking, smuggling and other areas.

It was also agreed that there should be closer interaction among the universities and educational institutions of the two countries, and that the Thailand-India Colloquium, which last met in 1996, should be revived. An MoU on cooperation in the field of Information Technology was also signed between the two countries.

Discussions were held on regional cooperation issues within the framework of BIMST-EC and Mekong Ganga Cooperation as also under the aegis of the ASEAN-India Dialogue Partnership. Recent developments under the BIMST-EC and Mekong-Ganga Cooperation framework were noted and it was agreed that further cooperation among the member countries was needed in a focused manner in order to achieve their goals and objectives. In this connection, it was agreed that India, Myanmar and Thailand could work closely together on the development of infrastructure and transport linkages between the three countries in order to enhance trade, investment, and tourism flows.

Trade between India and Thailand had been steadily expanding in recent years. The total bilateral trade in 1999-2000 was US\$ 777.66 million which was 31 per cent higher as compared with the previous year. During the year 2000-01 bilateral trade rose to US \$ 843.27 million with a growth of over 17 per cent in our exports. Bilateral trade for the first four months of 2001-02 (April-July) grew around 19 per cent over the same period last year. Our exports grew by over 28 per cent.

A number of Agreements/ MoUs are under discussion between the two countries viz. Agreement on Science & Technology; MoU on Agriculture; Agreement on Cooperation in the Exploration and use of Outer Space for Peaceful Purposes; an Agreement for cooperation in the Tourism Sector.

The Foreign Office Secretary Level Consultations between India and Thailand were held in New Delhi on 23 November 2001.

Prime Minister of Thailand, Dr. Thaksin Shinawatra paid a working visit to India on 1 February 2002. He was accompanied by the Thai Foreign Minister and Minister of the Interior. Dr. Shinawatra called on the President of India and had a meeting with the Prime Minister.

This was Dr. Shinawatra's second visit to India within a period of two months and represented the desire of both countries to follow-up on areas of cooperation in IT, Science & Technology, Space, etc. which were discussed during Thai PM's State visit to India from 26-29 November 2001. Matters discussed during the visit included progress on the proposed Free Trade Area between India and Thailand, the Asian Cooperation Dialogue, security cooperation, infrastructure linkages between India and South East Asia, as well as the forthcoming ASEAN-India Summit.

During the Thai Prime Minister's visit on 1 February 2002, India and Thailand signed two Agreements, namely on Scientific, Technical and Environmental Cooperation and Transfer of Technology, and on Cooperation in the Exploration and Use of Outer Space for Peaceful Purposes.

The Indian Chief of Army Staff is scheduled to visit Thailand from 4-7 March 2002.

Three Indian Naval ships are scheduled to pay a goodwill visit to Thailand from 25-28 March 2002.

The Commander-in-Chief of Royal Thai Navy is scheduled to visit India from 18-22 March 2002.

Vietnam

India maintained and consolidated its historic and extremely cordial relations with Vietnam during the period under report.

Vietnam continued to extend its support for India's candidature for permanent membership of the UN Security Council.

A delegation led by Deputy Chairman of the Planning Commission, Shri K.C. Pant attended the Meetings of ASEAN PMC, ASEAN Regional Forum and Mekong-Ganga Cooperation held in Hanoi during 24-28 July. The opportunity was utilised to review bilateral relations, regional issues and other matters of mutual interest.

The Minister of Foreign Affairs of Vietnam, Mr. Nguyen Dy Nien, paid an official visit to India from 11-16 September 2001. His programme included calls on Vice-President, PM, EAM, and on leaders of different political parties. During the visit, both sides signed an Agreement on Cooperation between Doordarshan and Vietnam

Television, and an Agreement on Reciprocal Exchange of Plots of Land for the Embassies of the two countries. During the talks between EAM and the Vietnamese Foreign Minister, they discussed measures to further strengthen bilateral relations, particularly in the fields of trade, investment, credit, information technology, as well as close and effective coordination within the framework of the ASEAN, ARF and the Mekong-Ganga Cooperation. Dr. Nguyen Dy Nien was awarded an honorary doctorate by the Banaras Hindu University, his *alma mater*, on 13 September. He delivered the India-ASEAN Eminent Persons Lecture on "ASEAN-India Dialogue Relations : Present and Prospects" organised by the Research & Information System for Non-Aligned and other Development Countries, in collaboration with FICCI, in New Delhi on 15 September.

An 8-member delegation from the Defence & Security Committee of the National Assembly of Vietnam, Mr. Nguyen Van Kha, Member of the National Assembly & Deputy Head of the Committee, visited India from 12-18 August. Chairman of Parliamentary Committee on Home Affairs, Shri Pranab Mukherjee, along with some other Members met the delegation on 13 August. Both the sides briefed each other about their respective Parliamentary systems. The Vietnamese delegation called on MOS(EA) and MOS(Defence) and had meetings with National Security Council, MHA, NCB and the Hon'ble Speaker of Delhi Vidhan Sabha.

The fourth Meeting of Indo-Vietnam Joint Committee on Science & Technology was held in New Delhi on 21 August. The Meeting reviewed progress made in various activities recommended in its last meeting, considered various proposals put forward by both the sides and approved 7 joint research projects, 3 joint seminars/workshops, 2 exploratory visits and 2 training programmes for implementation during the next year. Subjects covered under the approved projects are oceanographic research, agricultural biotechnology, rural technology, Science & Technology Policy Management, Material Science, Medical Research, S&T Information, Information Technology, etc. The next Joint Committee Meeting on S&T will take place in Hanoi in 2002.

An Indian Coast Guard vessel "Sangram" paid a goodwill visit to Ho Chi Minh City from 7-9 June 2001 on its way back after participating in "Coast Guard Fleet Review" in Japan. This was the first ever visit by an Indian Coast Guard ship to Vietnam.

An NCC team comprising 20 cadets and two officers paid a 3-week visit to Vietnam from 8 September.

Two Indian naval ships, “INS Mumbai” and “INS Jyoti”, paid a 3-day good will visit to Ho Chi Minh City from 29-31 October.

An Indian Film Festival was organised by the Embassy in Hanoi from 17-19 March 2001. A screening of the Indian films in Ho Chi Minh City followed.

At the invitation of the Vietnam-India Friendship Association (VIFA), a 5-member delegation of India-Vietnam Friendship Association (IVFA) led by Politburo Member of the Communist Party of India (Marxist), Shri Biman Bose visited Vietnam from 22-29 June. During the visit, IVFA signed a Protocol with VIFA.

Two Catalogue Shows were organized, one by the Embassy of India in Hanoi, during 28-30 March, and the other by the Consulate General of India, Ho Chi Minh City from 20-25 August. While catalogues from about 135 Indian companies were displayed in Hanoi, those of 370 Indian companies were displayed in Ho Chi Minh City.

An “Indian Textile Exhibition-cum-Buyer-Seller Meet” was organized by the Synthetic & Rayon Textiles Export Promotion Council in Ho Chi Minh City from 6-8 November. About 15 Indian textile companies participated in the event.

During the year 2001, a large number of IT training centres have been set up in Vietnam by Indian IT companies like Aptech Ltd., NIIT, Tata-Infotech, and the Redmond Institute of Coimbatore.

At the invitation of the Bengal National Chamber of Commerce and Industry (BNCCI), a delegation led by Vice Chairman of Ho Chi Minh City People's Committee participated in the 15th Industrial India Trade Fair organised by BNCCI in Kolkata from 19-23 December 2002.

Both India and Vietnam celebrated the 30th Anniversary of the upgrading of India-Vietnam relations from Consular to Full diplomatic level on 7 January 2002. In New Delhi, a Reception was hosted by the MOS(EA), followed by an ICCR-sponsored dance-cum-music performance by a visiting Vietnamese cultural troupe.

In Hanoi, a function was organised by the Vietnam-India Friendship Association, where the Minister of Foreign Affairs of Vietnam addressed the select gathering. Besides, a Seminar on India-Vietnam Relations was held by the Institute of South-East Asian Studies of Vietnam in which 8 Indian intellectuals participated. An Indian Film Festival on Vietnam TV was also inaugurated on the same day.



3

East Asia

Relations with China have continued to develop and show progress. After a gap of ten years, the Premier of the State Council of the People's Republic of China paid an official visit to India in January 2002. The Chinese Premier's visit underscored the importance that both countries attach to the development of friendship, and cooperation in all areas of bilateral relations and to the willingness of both sides to develop mutual trust and confidence including by addressing India's differences through dialogue. Both sides have also stressed the common interest in fostering peace and stability in Asia and the world, and reaffirmed that bilateral dialogue is the best instrument for the resolution of all outstanding disputes between nations.

The process of clarification and confirmation of the Line of Actual Control in the border areas, which commenced in the previous year, continued to make progress. The Joint Working Group on the Boundary Question met for the thirteenth time. Both sides continue to discuss boundary issues, including the implementation of confidence building measures in the border areas. The India-China Expert Group of Diplomatic and Military Officials, a subgroup of the Joint Working Group held two meetings in June and December 2001, and exchanged maps of the LAC in the Middle Sector of the India-China boundary. It has been agreed that the work of LAC clarification will be accelerated.

Both countries also discussed other bilateral matters, as well as regional and international issues of mutual interest and concern. The second India-China Foreign Office Consultations were held in New Delhi in December 2001. The first meeting

of the Eminent Persons Group was held in New Delhi in September 2001. It has been agreed that both sides will establish a bilateral dialogue mechanism for cooperation against terrorism. There were important ministerial level visits to China. Exchanges between the armed forces continued to grow. India-China trade continues to record a healthy growth.

The People's Republic of China (and Taiwan) joined the World Trade Organization; a development that was supported and welcomed by India.

The India-Japan Global Partnership in the 21st Century was established in August 2000. The partnership was further strengthened during the visit of the Prime Minister Shri Atal Bihari Vajpayee to Japan from 7-11 December 2001. India and Japan issued a Joint Declaration outlining the future direction of bilateral relations and cooperation in global issues. The importance of economic relations and strategic convergences providing the underpinning for the Global Partnership was stressed. Both sides agreed on the necessity of institutionalizing dialogue at the Ministerial level, enhancing cooperation in the economic, investment, security, defence and cultural fields. Both sides agreed to have a dialogue in combating terrorism within the framework of the Comprehensive Security Dialogue. Both countries also agreed that the development of bilateral relations are a factor for peace and stability in Asia and the world. Japan has reaffirmed that it attaches importance to relations with India not only bilaterally but in the larger international context as well.

The first Comprehensive Security Dialogue was held in July 2001. Both sides have agreed to institutionalize the dialogue on an annual basis. The recommendations of the India-Japan Eminent Persons Group were presented to the two Prime Ministers after the second round in Tokyo in November 2001. The annual Foreign Office Consultations at the level of Foreign Secretary/Deputy Foreign Minister were held in Tokyo in November 2001. The Chief of Army Staff paid his first ever-official visit to Japan in August 2001. Defence contacts between the two countries have continued to grow, including between the Coast Guards of the two countries.

India-Japan trade remained static in the first half of the financial year. On 26 October 2001, Japan unilaterally announced the lifting of economic sanctions imposed on India after the nuclear tests in May 1998. During Prime Minister's visit they have released Yen 56 billion for the Simhadri and MRTS projects and offered economic assistance for cleaning the Ganga and Yamuna rivers.

India's relations with the Republic of Korea maintained a steady trend. President Kim Dae-jung's visit in October 2001 was postponed at the request of the Republic of Korea on account of the international situation after the terrorist attacks in the United States. India and Mongolia continued to develop their relations on the basis of friendship and cooperation. India and the DPRK also maintained friendly relations.

All East Asian countries condemned the terrorist attacks in the United States on 11 September 2001. Japan expressed its full support to US military action in Afghanistan, and amended its laws to permit its Self-Defence Forces to provide non-combat logistics support to the United States in its military operations. The Government of Japan announced substantial emergency assistance for Afghanistan, and organized a conference in Tokyo in January 2002 on post-conflict rehabilitation of Afghanistan. China expressed its support for military action against the Taliban, claiming that terrorists operating in the Xinjiang Region of China had also received training and support from the Taliban regime. It underscored the need for a UN sponsored political process that would establish a broad based and representative administration in post-conflict Afghanistan. China did not provide any logistics or combat support to the US military operations.

Japan, China, ROK and Mongolia strongly condemned the attack on the Indian Parliament on 13 December 2001. Prime Minister Koizumi wrote to Prime Minister on 14 December 2001 to say that his Government resolutely condemns terrorism in

any form, wherever and whatever. ROK President Mr. Kim Dae-jung and PM Lee Han-dong sent messages to Prime Minister conveying sympathy and condemnation for the attacks on Indian Parliament on 13 December 2001. The Chinese Foreign Minister wrote to EAM conveying sympathy for the victims of the attack and condemnation for any form of terrorist attacks. The Chairman of the State Great Hural of Mongolia wrote to Vice President and the Speaker, expressing sympathy and condemnation for the terrorist attack.

On the subject of rising tension between India and Pakistan in the aftermath of 13 December terrorist attack on Indian Parliament, the Chinese expressed hope that both India and Pakistan exercise restraint and avoid the further escalation of tension and worsening of the situation; and that India and Pakistan will properly settle the question through dialogue and consultation, so as to jointly safeguard regional peace and stability.

On President Musharraf's speech, the Chinese stated that the speech expresses the determination of the Pakistani Government to fight against domestic religious extremist forces and its willingness to have dialogue with India to solve their disputes. China hopes that both Pakistan and India can make positive efforts to engage in dialogue and solve their disputes.

Japan expressed regret over India's test firing of Agni missile on 25 January 2002. Japan stated that it is concerned this missile test might worsen the current situation in South Asia, and expressed the hope that India and Pakistan will resume dialogue to reduce tensions. The Chinese side has stated that China hopes that every country would do more things which are beneficial to and which would maintain the peace and stability of the South Asia region.

China

India seeks friendly, cooperative, good-neighbourly and mutually beneficial relations with China on the basis of the Five Principles of Peaceful Co existence, jointly enunciated by India and China. India seeks a long term, stable relationship based on equality in which both sides are responsive to each other's concerns. India remains committed to the process of dialogue to resolve outstanding differences and to build a constructive and cooperative relationship in the 21st century.

Chinese Premier Zhu Rongji paid an official visit of India from 13-18 January 2002. He visited New Delhi, Mumbai, Bangalore & Agra. During his visit, Premier Zhu met the President & Vice President of India and had extensive discussions with the Prime Minister on bilateral, regional and international issues of mutual interest. He also met EAM, Speaker, Leader of the Opposition and Deputy Chairperson of Rajya Sabha.

Premier Zhu's visit was after a gap of ten years since the last Chinese Premier's visit to India. Premier Zhu said that his visit was to develop friendship, deepen trust and expand cooperation. He stressed the need for more interaction at the governmental, parliamentary and people to people levels. He has called for broader economic cooperation and trade between the two countries. PM underscored government's commitment of developing friendly and cooperative relations with China on the basis of Panchsheel, mutual sensitivity to each other's concerns and equality. PM said that we are willing to move forward in all areas of our bilateral relations, while continuing to address our differences through dialogue.

Premier Zhu stressed that as the two largest developing countries in the world, India and China shoulder important responsibilities for maintaining peace, stability and prosperity in Asia.

India and China agreed to establish a bilateral dialogue mechanism against terrorism. Both sides also agreed to accelerate the process of clarification and confirmation of the Line of Actual Control along the India-China boundary.

Six MoUs/Agreements were signed in New Delhi on 14 January 2002. Two of these pertain to S&T and the others on cooperation in outer space, tourism, phytosanitary measures and supply of hydrological data by China to India in respect of the Brahmaputra during the flood season. The documents signed reflect the on-going process of diversification of India-China relations.

The Minister of External Affairs met the Chinese Foreign Minister in New York (at the UNGA) on 12 November 2001.

High level exchanges between India & China continued to take place. Member of the Politburo of the Chinese Communist Party and Party Secretary of Guangdong Province, Mr. Li Changchun visited India from 12-18 May 2001 at the invitation of

the Minister of External Affairs. The Minister of External Affairs and Mr. Li agreed on the usefulness of greater interaction at different levels, both at the national and provincial levels. They also agreed that there are concrete opportunities for the development of bilateral trade. Mr. Li Changchun also called on the President of India.

Deputy Chairperson, Rajya Sabha, Dr. Najma Heptulla led a Parliamentary-cum-Business-cum-trade union delegation to China from 1-7 July 2001 at the invitation of Chairman of the National People's Congress, Mr. Li Peng. She met the Chinese Premier Zhu Rongji and Mr. Li Peng. Both Chinese leaders conveyed satisfaction at the improvement of India-China relations and their sound development in recent times. There was agreement to strengthen bilateral economic and business relations. Premier Zhu also said that differences in bilateral relations are far outweighed by common interests. Smt. Heptullah visited Beijing, Urumuqi, Shenzhen and Shanghai.

Scheduled visits to China by the Speaker of the Lok Sabha and the Minister of External Affairs in October were postponed due to the international situation. They will be re-scheduled for a mutually convenient time.

The 13th Meeting of the Joint Working Group (JWG) on the Boundary Question was held in Beijing on 31 July 2001. The two sides reviewed the work being done by the India-China Expert Group of Diplomatic & Military officials on the clarification and confirmation of the Line of Actual Control (LAC) and on the implementation of Confidence Building Measures. Both sides agreed on the future work of the Expert Group. Both sides also reiterated their commitment to the maintenance of peace and tranquillity along the LAC in accordance with bilateral agreements signed in 1993 and 1996.

The 9th and the 10th meetings of the India-China Expert Group of Diplomatic & Military officials, a sub-group of the JWG were held in New Delhi on 28 June 2001 and in Beijing on 17 December 2001 respectively. The two sides exchanged views on maps depicting the LAC as perceived by the two sides respectively in the Middle Sector of the India-China boundary. [Note: The maps of the LAC in the Middle Sector were exchanged in Beijing in November 2000 at the 8th meeting of the EG.] Both sides reaffirmed their intention to proceed with the process of confirmation and

clarification of the LAC on the basis of the 1993 Agreement. Both sides also discussed non-LAC related confidence building measures. The 11th meeting of the India-China Expert Group is expected to be held in New Delhi in early March 2002.

The first meeting of the India-China Eminent Persons Group (EPG) was held in New Delhi on 17 & 18 September 2001. The members discussed practical proposals for cooperation in areas such as business and trade, education, culture, environment, science and technology, youth exchanges, media and entertainment. The next meeting of the EPG will be held in Beijing in 2002.

A dialogue on information sharing on natural disasters on common rivers was held in Beijing on 8 June 2001.

Discussions were held in Beijing on 2 November 2001 on cooperation against terrorism.

Foreign Office Consultations were held in New Delhi on 18 December 2001.

Regular exchanges between the two armed forces continued to take place during the year. GOC-in-C-Eastern Command, Lt. General H.R.S. Kalkat visited China from 1-8 April 2001. The Chief of Air Staff, Air Chief Marshal A.Y. Tipnis visited China from 21-26 May 2001. He met the Chinese Defence Minister Chi Haotian, Chief of General Staff, Fu Quanyou and PLAAF Chief Liu Xunhao. Two officers of the Indian armed forces have been enrolled for a training programme at the National Defence University of China for the first time in September 2001. Two Chinese naval ships paid a goodwill visit to India in May 2001. A PLA delegation led by Deputy Commander of the Chengdu Military Region, Mr. Liu Baochen visited India from 6-13 September 2001. A senior PLA delegation led by Lt. General Zhang Li, Deputy Chief of General Staff visited India from 16-22 December 2001.

Exchanges at the governmental, parliamentary, non-governmental and people-to-people levels continued during the year. Functional exchanges in trade and commerce, science and technology, power sector, water resources, tourism and culture took place during the year.

High level exchanges between the two sides in 2001-2002 include:

- ❑ Minister of Power, Shri Suresh Prabhu visited China from 17-23 September 2001.

- ❑ Minister for Tourism, Shri Jagmohan visited China from 8-11 November 2001.
- ❑ Former Prime Minister Shri H.D. Deve Gowda visited China from 4-13 August 2001.
- ❑ Minister of Human Resources Development, Dr. Murli Manohar Joshi visited China in August 2001.
- ❑ A BJP Party delegation led by Shri Bhairon Singh Shekhawat visited China from 25-31 October 2001.

Functional exchanges between the two sides include:

- ❑ Secretary(S&T) visited China from 5-12 April 2001 to exchange views on further cooperation in the S&T sector.
- ❑ The Chinese Vice-Minister for Culture Pan Zhenshou visited India from 8-14 November 2001.

India-China trade continued to grow. Bilateral trade has recorded rapid growth from a trade volume of US\$ 265 million in 1991 to US\$ 2920 million in 2000. During January-November 2001, bilateral trade reached US\$ 3.27 billion, an increase of 26 per cent over the same period of 2000. While India's imports (US\$ 1.71 billion) from China increased by 23 per cent, India's exports (US\$ 1.56 billion) to China increased by 29 per cent. Delegations from both sides exchanged visits.

China has announced direct air services from end-March 2002. China expressed appreciation for India's support for their membership of WTO. Premier Zhu Rongji said that China's entry into WTO will increase market access for Indian exports.

The new Ambassador of China Mr. Hua Junduo assumed charge in September 2001.

The 11th Meeting of India-China Expert Group is expected to be held in New Delhi in early March 2002.

Hong Kong

Finance Minister, Shri Yaswant Sinha visited Hong Kong from 14-17 May 2001. He addressed CLSA Investors' Forum 2001. He also met Chief Executive of HKSAR Government, Mr. Tung Chee-Hwa and Finance Secretary Mr. Anthony Lung.

Secretary for Financial Services, Mr. Stephen Ip visited India from 6-10 April 2001. Secretary for Economic Services Bureau, Ms. Sandra Lee visited India from 17-21 April 2001. Chairman, Trade Development Council, Mr. Peter Woo visited India from 17-26 April 2001.

India-Hong Kong bilateral trade has improved steadily over the years. Bilateral trade was US\$ 3.92 billion in 2000. Bilateral trade was US\$ 1.8 billion in the first six months of 2001. Hong Kong is also an important source of foreign direct investment. India has approved about 300 foreign collaboration proposals from Hong Kong with a corresponding foreign direct investment of about US \$ 75 million. Hong Kong companies ranked 19th in the list of countries in terms of cumulative FDI approvals.

Mongolia

India and Mongolia have traditionally had close religious and cultural ties. In the past forty six years since the establishment of diplomatic relations, relations between India and Mongolia have expanded into diverse fields further cementing the friendship between the two countries. Exchanges at the level of Government, Parliament and people to people contacts are continuing. Exchanges also took place in economic, scientific, technical, education and cultural fields.

Speaker Lok Sabha, Shri GMC Bhalayogi led a Parliamentary delegation to Mongolia from 9-12 July 2001. During the visit, he met President Bagabandi, PM Enkhbayar and his counterpart late Mr. L. Enebish. President Bagabandi recalled the Joint Declaration signed between the two countries during his visit to India in January 2001. He mentioned that Mongolia would fully support Indian endeavour to become a permanent member as and when the expansion of the UN Security Council takes place. An India - Mongolia Parliamentary Friendship Group with Shri P.A. Sangma as its Chairman has been established. The Speaker also inaugurated the printing faculty at the Rajiv Gandhi Vocational Training Center at Ulaan Baatar.

During the Speaker's visit, a "Protocol on Cooperation between The Secretariats of The State Great Hural of Mongolia and The Secretariat of The Lok Sabha of The Republic of India for the period from 2001 to 2004" was also signed. Under the protocol, both sides have agreed to exchange legislative acts and other information on the functioning of the respective Parliaments and delegations for familiarisation of each other's activities on reciprocal basis.

Minister of Parliamentary Affairs, Information Technology and Telecommunications, Shri Pramod Mahajan visited Mongolia on 10-12 September 2001. Both sides signed an "Agreement on Cooperation in Information and Communication Technology". The visit was in pursuance of the MoU on cooperation in information technology sector signed during President Bagabandi's visit to India in January 2001. During the visit, the first meeting of the Joint Working Group (JWG) on IT was held on 10 & 11 September 2001. Subsequently, an Expert Group from India visited Mongolia in October 2001 to hold discussions with the Mongolian side on the implementation of the Agreement and Protocol signed during the visit of Shri Mahajan.

A two-member delegation from the Mongolian Parliament visited India on 15-22 October 2001. The delegation interacted with officials from Ministry of Finance, Lok Sabha and Rajya Sabha Secretariats. The delegation also called on Chairman Finance Committee of Lok Sabha.

The Lt. Governor of Delhi visited Mongolia at the invitation of the Governor of Ulaan Baatar from 10-15 December 2001.

Mongolian Infrastructure Minister, Mr. Byambyn Jigjid is expected to visit India in mid-February 2002.

Japan

We remain committed to friendly, cooperative and mutually beneficial relations with Japan with whom we share cultural links, democratic values, human freedom, commitment to peace and stability. India and Japan have agreed to build a Global Partnership for the 21st Century.

The Prime Minister Shri Atal Bihari Vajpayee, paid a State visit to Japan from 7 – 11 December 2001. This was the first visit since Prime Minister Narasimha Rao's visit in 1992. In Tokyo, the Prime Minister had an audience with the Emperor of Japan and held substantive discussions with Prime Minister Koizumi. The Japanese Foreign Minister, Finance Minister and senior political figures called on the Prime Minister.

The two Prime Ministers agreed to concretise the multifaceted Global Partnership for the 21st Century, that was agreed to during PM Mori's visit to India in August

2000, which is based both on strategic convergences and economic complementarities.

Discussions between the two Prime Ministers covered a wide range of bilateral, regional and international issues, including, inter alia, reconstruction of Afghanistan, international terrorism, UN reforms, regular ministerial level exchanges, institutionalisation of defence exchanges, comprehensive security dialogue and Military-to-Military Consultations, co-operation in combating piracy, celebration of 50th anniversary of the establishment of diplomatic relations between India and Japan, co-operation in Information Technology and proposals from the India-Japan Eminent Persons' Group. A substantive India-Japan Joint Declaration was issued on 10 December 2001 in Tokyo.

Prime Minister delivered keynote addresses at major business meetings in Tokyo and Osaka. He also delivered a major address at a meeting of the Japan-India Parliamentary Friendship League and other Parliamentarians on 11 December 2001 in which he highlighted the strong objective commonalities on which the India-Japan Global Partnership is based.

It was agreed inter alia (i) to hold, in principle, Foreign Minister level meetings once a year and to further promote exchanges between their Defence, Economic and Finance Ministers (ii) to hold a dialogue on counter-terrorism in the framework of the India-Japan Comprehensive Security Dialogue (iii) to cooperate in the reconstruction of Afghanistan (iv) to commemorate the 50th anniversary of the establishment of diplomatic relations between India and Japan in a befitting manner (v) to identify new areas for expansion of economic cooperation including economic assistance for the cleaning-up of the Ganga and Yamuna rivers.

The former Prime Minister of Japan Mr. Yoshiro Mori visited India from 28-30 October 2001 as the Special Envoy of the Japanese Prime Minister. He was accompanied by the Senior Vice Minister for Foreign Affairs Seiken Sigiura. Mr. Mori delivered a letter from Prime Minister Koizumi to Indian Prime Minister and exchanged views with Prime Minister, Home Minister and Raksha Mantri. Mr. Mori expressed appreciation for Government of India's cooperation with the international community in its campaign against terrorism; extended condolences for the terrorist attack in Srinagar on 1 October 2001 and expressed the readiness of the Government of Japan to cooperate with India to combat the menace of global terrorism.

The first India-Japan Comprehensive Security Dialogue was held in Tokyo on 18 July 2001. Issues including the security and defence policies of both countries, the regional security environment, disarmament and non-proliferation were discussed. It was agreed that this Comprehensive Security Dialogue will be institutionalised and held annually. The next session will be held in India in 2002.

The first session of the India-Japan military to military talks was held on 19 July 2001 in Tokyo under the umbrella of the India-Japan Comprehensive Security Dialogue. There was a wide-ranging exchange of views on the defence policies and security perspectives of the two countries. Discussions also took place on ways and means to further intensify bilateral defence cooperation.

The 8th round of Foreign Office Consultations (FOC) at the level of Foreign Secretary/Deputy Foreign Minister was held in Tokyo on 19 November 2001. The discussions covered the Prime Minister's visit to Japan, the 50th anniversary celebrations and other bilateral, regional & international issues of mutual interest.

The second meeting of the India-Japan Eminent Persons Group was held on 21 & 22 November 2001 in Tokyo. The Co-chairmen of the Group jointly submitted the recommendations of the Group in a letter addressed to the Prime Ministers of India and Japan. The recommendations included proposals for cooperation against International terrorism, co-operation at the new round of WTO negotiations, infrastructure development in India, railway reforms in India, co-operation in the fields of IT, Agriculture, food processing, Bio-science, environment, media, culture, medicine and healthcare, education and sports, tourism promotion and celebration of the 50th anniversary of the establishment of the diplomatic relations.

On 26 October 2001, the Government of Japan unilaterally announced the discontinuation of economic measures imposed in May 1998 in response to nuclear testing conducted by India (and Pakistan).

Other high level exchanges from India to Japan during the period included:

From India to Japan

- Chief of Army Staff, Gen. S. Padmanabhan, visited Japan from 26-30 August 2001. This was the first-ever official visit by an Army Chief. He met the Director General of Japan Defence Agency(JDA), Chief of Staff of the Japan Ground Self Defence

Forces, Chairman of the Joint Staff Council, Vice Minister for Defence & Vice Minister for Foreign Affairs. Both sides discussed ways to further strengthen the defence exchanges including in the field of training, disastrous relief, IT, sports and adventure activities.

- ❑ An Indian Coast Guard vessel “Sangram” visited Japan in May 2001 to participate in the Japan Coast Guard Sea Review and joint coast guard exercises. DG Coast Guard Rameshwar Singh visited Japan on this occasion.
- ❑ Minister of Information Technology, Shri Pramod Mahajan headed an IT delegation to Japan from 3-5 September 2001 and held the first IT Summit between India and Japan with his counterpart.
- ❑ The Chief Minister of West Bengal Shri Buddhadeb Bhattacharjee led a business delegation to Japan from 16-22 September 2001.
- ❑ A 29-member entertainment industry delegation sponsored by FICCI and led by Minister for Information and Broadcasting, Smt. Sushma Swaraj visited Japan from 10-13 June 2001.
- ❑ Minister for Tourism Shri Jagmohan visited Osaka from 28 September to 1 October 2001 to attend the World Tourism Organisation General Assembly.
- ❑ Minister for Environment & Forests, Shri T. R. Baalu visited Japan to attend the 10th Environment Congress for Asia-Pacific in Tokyo from 12-15 October 2001.

From Japan to India

- ❑ Senior Vice Minister for Economy, Trade & Industry Mr. Keiji Furuya visited India on 4-6 November 2001. He called on Finance Minister on 5 November 2001 and discussed bilateral economic relations. The issue of 20 per cent withholding tax on Indian software was discussed and it was agreed by both sides to find an early solution to the problem. He also met Minister of State for Commerce & Industry.
- ❑ A Japan-India Business Cooperation Committee delegation visited India in July 2001 for a joint meeting of the Standing Committee of Japan-India Business Corporation Committee.

Functional Exchanges:

- ❑ A Seminar entitled Investment Opportunities in India was organised on the occasion of the Ninth JETRO Overseas Investment Fair held in Tokyo from 22- 25 May 2001.
- ❑ The National Defence College Team visited Japan in May 2001.
- ❑ A training squadron of two ships “Kashima” and “Yamagiri” of the Japan Maritime Self Defence Forces visited Chennai Port from 14-17 May 2001.
- ❑ An Indian Coast Guard Ship CGS “Sangram” took part in International Sea Review 2001 in Tokyo Bay from 22-31 May 2001 and took part in joint search and rescue exercise with the Japanese Coast Guard vessels.
- ❑ A delegation from Japan’s National Institute of Defence Studies visited India in June 2001.
- ❑ A delegation led by Minister for Sericulture & Textiles, Government of Karnataka, Shri M. Mahadev visited Japan from 26-29 August 2001.
- ❑ Finance Secretary Shri Ajit Kumar visited Japan from 27 & 28 August 2001 in connection with annual Secretary-level talks between Finance Ministries of India and Japan.
- ❑ Vice Chancellor, BIT, Ranchi, Prof. S. K. Mukherjee visited Japan on 2-9 September 2001.
- ❑ Minister for Industry, Tourism & Education, Government of National Capital Territory of Delhi, Shri Narendra Nath headed a delegation to an exhibition-cum-conference called Asian Network of Metropolitan Cities held in Tokyo from 16- 18 October 2001.
- ❑ Vice Chancellor, Anna University, Prof. G. Kalanidhi visited Japan from 6-8 November 2001 to sign an MoU with Energy & Electronics Institute and National Institute of Material Science.

During the period January - September 2001, Indian trade with Japan was approximately US \$ 2901.84 million (the exports: US \$ 1356.58 million approximately and imports US \$ 1545.26 million approximately). The actual inflow of investment from Japan to India during the period January – September 2001 was around US \$ 101.8 million.

Republic of Korea

India's relations with the Republic of Korea (ROK) continued to be marked by cordiality and understanding.

A scheduled visit by the President of the Republic of Korea Mr. Kim Dae-jung to India from 22-24 October 2001 was postponed at the request of the ROK, due to the international situation after 11 September 2001.

High Level exchanges during the year included:

- ❑ ROK Minister of Information & Communication Mr. Yang Seung-taek visited India on 26-27 April 2001. He held talks with Indian Ministers of Information Technology and Communication. An MoU on IT Cooperation and Agreed Minutes on Cooperation in Communications were signed.
- ❑ At the invitation of the ROK side, Indian IT Minister Shri Pramod Mahajan visited ROK on 6-7 September 2001. During the visit a Memorandum of Understanding between the Ministry of Information & Communication of the Republic of Korea and the Ministry of Communications on the Cooperation in the Field of Telecommunications was signed.
- ❑ Vice Minister for Commerce, Industry & Energy, Mr. Hee Beon Lee visited India from 8-9 October 2001 to explore business opportunities and enhance bilateral economic cooperation between ROK and India. He called on Minister of State for Commerce & Industry and had meetings with Secretary (ER), Commerce Secretary and Petroleum Secretary.

Functional Exchanges included:

- ❑ District Magistrate of Faizabad and Secretary, Ayodhya-Faizabad Development Authority visited ROK from 6-12 April 2001 to participate in the annual Karak Festival on the invitation of the ROK Government. In Korea, it is believed that the India Korea relationship started in 45 AD when a princess from Ayodhya, Queen Hur Hwang-ho went to Korea and married King Suro Kim (both President Kim Dae-jung and former Prime Minister Kim Jong Pil trace their ancestry to this Indian Princess). A delegation visited Ayodhya to participate in the unveiling ceremony of the monument constructed in memory of the Princess on 5 March 2001.

- ❑ Foreign Office consultations were held at the level of Joint Secretary/Director General on 7 June 2001. During the talks, the Indian side reaffirmed GOI's firm support to the process of dialogue and reconciliation on the Korean Peninsula and peaceful negotiations between the North and the South. Views were exchanged on bilateral, regional and international affairs.
- ❑ A four member high level ROK Parliamentary Delegation led by Mr. Lee Sang Soo, Chairman of the Steering Committee of the National Assembly and Floor leader of the New Millennium Democratic Party (the ruling party in ROK) visited India from 19-23 July 2001. The purpose of his visit was to exchange views on promoting bilateral cooperation.
- ❑ An ROK parliamentary delegation comprising of 3 members National Assembly headed by the President of Korea Scout Parliamentary Association, Mr. Lee Yoon-Soo visited India from 4-8 October 2001 to participate in the 20th Asia-Pacific Scout General Assembly and to exchange views with the Indian Parliament.

During January-November 2001, Indo-ROK total bilateral trade was US \$ 2307.988 million (exports: US \$ 989.395 million and imports: 1308.503 million). The total trade rose by 8.63 per cent over the corresponding period last year. Exports registered a growth rate of 9.63 per cent while imports rose by 7.40 per cent over the corresponding period last year.

Exchanges of cultural delegations, students and research scholars continued.

Ambassador of ROK Lee Ching-moo completed his term in mid-February 2002 and returned to ROK. The new Ambassador Kwon Soon-tae arrived in New Delhi in end February 2002.

Democratic People's Republic of Korea

India's relations with the Democratic People's Republic of Korea (DPRK) continue to be friendly.

Foreign Office Consultations were held at the level of Secretary-Vice Foreign Minister in Pyongyang on 8-10 September 2001. The discussions covered bilateral matters & regional and International issues of mutual interest.

India extended humanitarian assistance to DPRK of one million squares Meters

of polythene sheets for use in agricultural production (value Rs. 2.09 Crores). The consignment was handed over in Pyongyang on 24 September 2001.

India has also agreed to provide humanitarian assistance of 2000 Metric Tonnes of rice to DPRK.

Adviser/Scientist in the Department of Science & Technology, Dr. S. K. Gupta, visited DPRK from 3-7 April 2001 as a single member Science & Technology Delegation. He held discussions with officials of the DPRK Academy of Sciences (AOS) to identify possible areas of cooperation between the two countries in the field of science and technology.

A 15-member Mizo folk dance troupe from India, sponsored by ICCR, took part in 19th Spring Friendship Art Festival which took place on 10-18 April 2001 in Pyongyang. The troupe won a Bronze trophy and Diploma for its performance.

During the year 2000-2001, the total bilateral trade was US \$ 188.86 million. During the year 1999-2000, the trade was US \$ 83 million. The export from India to DPRK increased by over 100 per cent from US \$ 67.19 million in 1999-2000 to US \$ 170.90 million in 2000-2001, mainly due to increase in the export of items such as cotton yarn, fabrics, madeups, dyes/intermediates and coal tar chemicals, non-ferrous metals, drugs, pharmaceuticals & fine chemicals, inorganic/organic/agro-chemicals, residual chemicals & allied produces, marine products, machinery and instruments etc.

Ambassador of DPRK Mr. Pak Myong Gu had completed his term in November 2000 and returned to DPRK. Mr. Jang Kwong San arrived Delhi on 12 December 2000 and presented his credentials on 9 January 2001.



Central Asia

India's relations with Central Asia are historical, traditional and deep-rooted. Over the centuries, free flow of cultural influences and interaction between the peoples of this region and India, resulted in some of the greatest achievements of mankind including in such areas as architecture, music, cuisine and literature. The enormous mutual goodwill at the people to people level was unique with few parallels.

Independence of these countries in 1991 meant new opportunities. Common adherence to secularism and pluralism and also complementarities of economies and resources made India's partnership with the countries of this region a natural one. At the same time, while the physical distances were relatively small, a zone of instability separates India from this region. During the recent years, there has been a realization that the same forces threaten India and Central Asia in the form of religion-based fundamentalism, cross-border terrorism and narcotics.

While the recent recognition of the threat posed by global terrorism has brought the region into international focus, India's relations with Central Asia have an enduring character. Apart from immediate common security concerns, as difficulties associated with the transitional nature of these economies are dealt with, and also innovative solutions found to address problems associated with landlocked economies, and there is freer flow of information, mutually beneficial relations with Central Asia can be expected to make a quantum leap from existing levels. There is a perceptible consensus and determination to forge a fruitful partnership.

Azerbaijan

India and Azerbaijan have a common interest in further strengthening and expanding bilateral relations. Additional Secretary (East) visited Baku from 17-19 October 2001 for Foreign Office Consultations. The visit provided an opportunity to review the entire gamut of India's relations with Azerbaijan and also important international and regional developments.

There is considerable potential for economic cooperation including in the area of energy. Bharat Heavy Electricals Limited (BHEL) commissioned a 70 MW hydro-electric power generator in Mingchevir in May 2001.

On the cultural side, an exhibition "Indian Dolls and Dresses" was organised in April 2001 and an Indian Film Festival in July 2001 in Baku. Both these programmes were well received.

Under the ITEC programme, 10 slots have been utilized by Azerbaijan, for training programmes in Indian institutions.

Kazakhstan

India and Kazakhstan share close and friendly relations and there are regular contacts at all levels

India is a member of the Conference on Interaction and Confidence-Building Measures in Asia (CICA). CICA is a Kazakh initiative and 16 countries, including India, are part of the CICA process. India and Kazakhstan have worked in close coordination

in all CICA meetings including the meetings of the Special Working Group (SWG) set up of drafting documents. The Summit Meeting of Heads of States and Governments to adopt the Almaty Act was originally planned to be held in Almaty in November 2002 and is now planned for 2002. In May 2001 Kazakh Deputy Foreign Minister Abousietov visited India to discuss the finalisation of the Almaty Act. Additional Secretary (East) participated in the Senior Officials' Meeting in Almaty in September 2001 which finalised this document. Additional Secretary (East), during his visit also met Kazakh Foreign Minister H.E. Erlan Idrissov.

Meetings between specialists in the area of security and international relations have been found to be useful in fostering a better understanding of the mutual security concerns. A 4-member delegation from the Institute of Defence Studies and Analysis (IDSA) visited Almaty in October 2001 for a dialogue with the Kazakhstan Institute of Strategic Research (KISS). The dialogue covered the regional situation and security issues.

There is considerable scope for enhancing the scope for bilateral cooperation in such sectors as economic cooperation, science and technology, and bilateral.

The Third Meeting of the Indo-Kazakh Sub-Committee on Science and Technology took place in India in August 2001. Minister of Science and Education, Mr. Nuraly Bekturganov led the Kazakh delegation. During the Sub-Committee Meeting an MoU on bio-technology cooperation between the Department of Bio-Technology and the Kazakh Ministry of Education and Science and an MoU in agricultural research between the National Academy of Agricultural Science on the Indian side and the Kazakh National Academic Centre were signed.

A 3-member TV team from Kazakhstan representing AINA association, which produces programmes for the national TV and other channels, visited India in May 2001 at the invitation of Ministry of External Affairs.

A 15-member Kazakh cultural troupe visited India from 8-15 September 2001 at ICCR's invitation to participate in the Festival of Dance and Music from Central Asian countries. The group gave performances in Delhi, Chandigarh and Mussoorie.

There is interest in Kazakhstan in benefiting from training slots under the ITEC programme. Kazakhstan avails of 60 slots under this programme.

Kyrgyzstan

India's relations with Kyrgyzstan are close and deep-rooted and both countries have similar approaches to major international and regional issues.

Both India and Kyrgyzstan are threatened by cross-border terrorism. In the recent period Bishkek is emerging as an international centre for anti-terrorist institutions. The Bishkek International Conference of Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism was organised by the Kyrgyz Government from 13-14 December 2001 in collaboration with OSCE. Special Secretary (East) led the Indian participation at the Conference. The visit also provided an opportunity to review bilateral relations. Special Secretary called on Kyrgyz President Mr. Askar Akaev during his Bishkek visit.

A 5-member team of journalists representing important Kyrgyz newspapers visited India from 28 March to 3 April 2001. The team participated in a round table organised by Jawaharlal Nehru University on problems of separatism and terrorism. The team of journalists also interacted with Indian tour operators and businessmen.

There is considerable interest in India's ITEC programme. Kyrgyzstan avails of 50 training slots under this programme.

Tajikistan

India and Tajikistan's relations are characterised by a high degree of mutual warmth and common determination to further develop bilateral ties. Indo-Tajik relations have intensified in the recent period.

President of Tajikistan, Mr. Emomali Rakhmonov, visited India in from 9-11 May 2001. The Joint Declaration of Principles of Mutual Relations was a landmark document which underlined the similarity of India and Tajikistan's approaches to major international and regional issues. In the Declaration Tajikistan expressed support for India's aspirations to join an expanded UNSC. PM announced a grant of a Rupee equivalent of US\$ 5 million as India's assistance towards drought relief in Tajikistan. PM also announced the gift of a fruit-processing plant to Tajikistan.

Minister of State for External Affairs, Shri Omar Abdullah, visited Tajikistan from 12-13 September 2001. During his visit, a gift of anti-tuberculosis medicines worth

Rs 20 lakhs was given to the Tajikistan. The implementation of humanitarian assistance to Tajikistan announced by PM and the proposal to set up a fruit-processing plant by HMT (International) were also reviewed.

The first meeting of the Indo-Tajik Joint Commission was held from 12-13 December 2001. The Joint Commission identified new areas for cooperation, including in such areas as industry, tourism, civil aviation, training and exchanges of business delegations.

Tajik Defence Minister H.E. Sherali Khairulloev visited India from 19-21 December 2001 and the situation in the region was reviewed.

The Tajik side has appreciated Indian training courses. Under the ITEC programme 10 slots have been allotted to Tajikistan.

Turkey

Turkey is an important partner and there is considerable potential for developing cooperation in different sectors. In recent years Indo-Turkish relations have become active and cover a wide range of areas.

India and Turkey have a common stake in cooperating in fighting international crime and terrorism. Home Minister Shri L.K. Advani visited Turkey from 28 June to 1 July 2001 and an Extradition Treaty was signed during the visit. Turkey support in the context of terrorist acts against India is a reflection of this understanding on important issues.

Bilateral political consultations with the Turkish Ministry of Foreign Affairs took place during the visit of Additional Secretary (East) to Ankara on 27 August 2001.

Speaker of the Punjab Assembly, Shri Charanjit Singh Atwal visited Turkey from 14-16 May 2001.

A team from the National Defence College visited Turkey on a familiarisation tour of the country from 26 May to 1 June 2001.

A professor of Hindi, on deputation from ICCR joined Ankara University in May 2001.

Turkmenistan

India attaches importance to its relations with Turkmenistan. Both countries agree on the need for regular political consultations.

Additional Secretary (East) visited Ashgabat on 15 & 16 October 2001 for Foreign Office Consultations. This visit reflected the desire of both countries to further strengthen bilateral relations and exchange views on important regional and important developments.

Turkmen candidates are availing of training programmes in different Indian institutes under the ITEC programme and 20 slots were given to Turkmenistan under the programme during 2000-01. The ITEC courses being offered by India have been found to be useful by Turkmenistan.

A 17-member cultural troupe from Turkmenistan participated in the Festival of Culture of Turkmenistan organised by ICCR from 9-18 September 2001. The group also gave performances in Delhi, NOIDA, Lucknow and Kolkata.

A book written by the Indian scholar, Shri Ghulam Rasool Mattoo and Turkmen scholar Nazar Halimov on Najim-ud-Din Kubra, a Turkmen saint who is also revered in parts of India, was published.

Uzbekistan

India greatly values its ties with Uzbekistan and regular political exchanges have helped in achieving a high degree of political understanding between the two countries.

Minister of State for External Affairs, Shri Omar Abdullah, visited Uzbekistan from 14-17 September 2001. Apart from meetings at high levels, a consignment of anti-tuberculosis medicines and syringes were handed over to the Uzbek Government as a gift from the people of India. Shri Abdullah also handed over a cheque for US \$ 100,000 to the Uzbek Government as India's contribution towards drought relief in the country.

Dialogue between specialists and academicians representing institutes specialising in regional and security studies has been found to be useful in creating a better understanding of regional security issues in the two countries. A 5-member

delegation representing the Institute of Defence and Strategic Analysis (IDSA) visited Uzbekistan in November 2001. The Indian delegation interacted with the Institute for Strategic and Regional Studies (ISRS) as well as the Tashkent Institute for Oriental Studies.

In the area of customs cooperation, a working level delegation from Department of Customs visited Uzbekistan from 24-26 July 2001. During the visit the sides exchanged information on customs laws and regulations and discussed bilateral cooperation.

India is in the process of implementing a pilot project for the computerization of few post offices in Tashkent. Department of Posts and Telecommunications Consultants India Ltd. (TCIL) and MEA are implementing the project.

On the cultural side, ICCR hosted a 15-member folk group from Uzbekistan, "Rokhat" from 10-18 September 2001. The group also gave performances in Delhi, Ahmedabad and Mumbai.

Under the ITEC Programme 110 training slots have been provided to Uzbekistan.



The Gulf, West Asia & North Africa

The Gulf region, because of its geographical proximity, is of vital importance to India from political, strategic and economic points of view. India attaches great value to its close historical relations with the Gulf countries and shares with them a common desire for peace, stability and security in the region.

The Gulf region is a leading supplier of crude oil to India and will continue to remain so in the near future. The Gulf region is also one of India's most important economic partners in trade, investment and joint ventures. The presence of a large Indian community numbering around 3.6 million creates another important link between India and the Gulf region.

With India's focus on strengthening its traditional ties with the Gulf countries in terms of political understanding, strategic linkages, economic exchanges and cultural, scientific and technological cooperation, relations with these countries will continue to grow. During the year 2001, a number of high level visits were exchanged between India and the Gulf countries which have substantially contributed in expansion and consolidation of bilateral relations.

Bahrain

The Electronics and Computer Software Export Promotion Council of India sent a 15-member delegation to Bahrain in May 2001. They signed an MoU with Bahrain's Economic Development Board for development of IT sector.

Iraq

The Iraqi Minister of Transport and Communications, Dr. Ahmed Murtadha Ahmed Al-Khalil, visited India from 4-9 July 2001. During his visit, the Iraqi Minister called on the Minister of External Affairs, Minister of Communications, Minister of Railways, Minister of Law, Justice, Company Affairs and Shipping and Minister of State for Civil Aviation. Two Joint Working Groups were set up in the areas of Communications and Railways during the visit.

A 75-member goodwill delegation headed by Deputy Chairperson, Rajya Sabha Dr. Najma Heptulla and with MOS for Railways, Commerce & Industry, Shri Digvijay Singh as Deputy Leader, visited Iraq, on board a special flight, from 31 August to 2 September 2001. The Delegation included Members of Parliament, businessmen, media persons, members of civil society and academicians. The delegation had meetings with Iraqi Vice-President Taha Yassin Ramadan, Deputy PM Tariq Aziz, Speaker Sadoun Hammadi, Minister of Transport & Communications, Minister of Industry & Minerals, Minister of Trade and the Foreign Minister. The leader of the delegation was received by President Saddam Hussein. Dr. Heptulla delivered a written message to the Iraqi President from our Prime Minister.

Iraqi Minister of Electricity, Mr. Saliban F. Mahjoob accompanied by a 3-member delegation, paid an official visit to India from 26 November to 4 December 2001 at the invitation of Minister of Power. He called on Minister of Power, Minister of Heavy Industries and Public Enterprises and interacted with businessmen.

The Minister of Petroleum and Natural Gas is expected to visit Iraq in March 2002 to co-chair the next Joint Commission meeting in Baghdad.

The Iraqi Health Minister's visit to India is likely to take place in March 2002.

The MOS (Railways) Shri Digvijay Singh is paying an official visit to Iraq from 20-22 January 2002, at the invitation of Iraqi Minister of Transport and Communications.

Kuwait

Additional Secretary (East) paid an official visit to Kuwait from 5-6 November 2001 for bilateral discussions.

Lt. General R. K. Sawhney, DCIOS (T&C), paid an official visit to Kuwait on 29 & 30 April 2001 and met senior Kuwaiti defence officials.

A 14-member delegation from Powerloom Development and Export Promotion Council visited Kuwait from 23-27 May 2001 and organized a Buyer-Seller Meet. An Indian Jewellery and Gold exhibition was held in Kuwait from 2-6 June 2001

A Bilateral Investment Protection Agreement (BIPA) was signed between India and Kuwait on 27 November 2001.

Oman

A delegation from National Defence College visited Oman from 20-25 May 2001. The delegation called on the Ministers of Defence and Foreign Affairs, interacted with the Omani defence officials and visited defence institutes in Oman.

A 15-member delegation of Indian IT companies visited Muscat from 14-16 May 2001 and concluded an MoU with a local organization for joint promotion activities in the field of IT. A public sector company Daily Telecommunication Consultants India Ltd. bagged a one million Riyal contract in the month of July for expansion of local telecom network. The Vice-Chairman of Birla Institute of Technology, Ranchi visited Muscat from 7-9 July 2001 in connection with the proposal to set up Birla Institute of Technology Extension centre in Muscat.

An Indian military delegation led by Vice Admiral M. J. Singh visited Oman from 27-31 October 2001 to observe the Oman-British Joint Exercises at the Omani invitation and had extensive interaction with their Omani and British counterparts.

The Minister of Chemicals and Fertilizers visited Muscat on 4-5 December 2001 and signed key agreements relating to the Oman India Fertilizer Project during the visit.

An MoU on Strategic Consultative Group has been finalised and is awaiting signatures. Omanese Foreign Office is being pursued to schedule the visit of the head of Foreign Office to New Delhi in March 2002 to sign the MoU and make it operational

Qatar

The Qatari Minister of Energy met with the Indian Petroleum and Natural Gas Secretary on 16 May 2001 at Seoul and discussed import of LNG by India from Qatar. A 2-member delegation from Indian Oil Corporation visited Qatar from 23-25 June 2001 to discuss cooperation in the areas of technical consultancy and training manpower. M/s Bharti Shipyard of Mumbai signed a contract worth 4.6 million dollar with HALUL Offshore Services company of Qatar in July 2001.

An Indian ship builder ABG Shipyard entered into a 100 million Q.R. contract with a Qatari company for building of 4 identical supply vessels.

EAM's visit to Qatar has been proposed for February/March 2002.

Saudi Arabia

The Minister of State for External Affairs [MOS(EA)], Shri Omar Abdullah, led a delegation to Saudi Arabia to sign the Haj Agreement in Jeddah. The MOS was accompanied by Joint Secretary (GD/Haj) and the Chairman and the Members of the Central Haj Committee. MOS(EA) also visited Makkah and Madinah to review the Haj arrangements. MOS(EA) met the Saudi Haj Minister on 22 August 2001.

A 5-member Petroleum delegation led by Chairman of the Indian Oil Corporation visited Saudi Arabia from 6-8 April 2001 to renew a term contract with Saudi Aramco for the supply of crude oil and other petroleum products to India for 2001-2002.

A 12-member team from the National Defence College, paid a five-day visit to Saudi Arabia from 21 May 2001. This was the first visit of an NDC team after a gap of 10 years. The team visited major defence and economic institutes and held discussions with Saudi officials in Riyadh, Dammam and Jeddah.

The Joint Commission with Saudi Arabia is being proposed for the first quarter of 2002 with the Finance Minister heading the Indian delegation. The meeting is to be held in Riyadh.

United Arab Emirates

Shri U.V. Krishnam Raju, Minister of State for External Affairs, paid an official visit to UAE from 3-6 April 2001. The MOS had meetings with the Ruler of Sharjah and the Deputy Ruler of Fujairah. He also held discussions with Head of Sharjah Free Trade Zone.

Shri L. K. Advani, Home Minister, visited United Arab Emirates from 1-3 July 2001. He called on the President of UAE and discussed with him regional and international issues of mutual interest.

AS (East), visited UAE on 6 & 7 October 2001. AS(East) had useful discussions with senior officials of the Government of UAE on bilateral issues.

Yemen

On an official invitation, a 20-member Yemeni Parliamentary delegation visited New Delhi from 27 April-3 May 2001. The delegation had meetings with the Speaker of Lok Sabha, Deputy Chairperson of Rajya Sabha and called on Vice-President of India. The delegation also visited Mumbai where they had meetings with the Speaker of the Vidhan Sabha and the Governor of Maharashtra.

Special Kuwait Cell

Set up in 1991, Special Kuwait Cell (SKC) worked in close coordination with the Central Bank of India, Indian Overseas Bank, Union Bank of India and Syndicate Bank in distributing compensation received from the United Nations Compensation Commission (UNCC), to persons adversely affected by the Gulf War of 1990-91. These were persons who had applied to UNCC for compensation within the due date fixed by UNCC for the purpose and whose claims were approved by UNCC. While SKC had registered claim applications and forwarded them to UNCC, it was exclusive responsibility of UNCC to adjudicate upon the claim applications and decide the quantum of compensation to be paid in each case and the timing of payment or to reject a claim completely. UNCC decisions are not subject to review either on

substantive or procedural grounds and UNCC does not entertain representations from individuals.

During the period 1 April 2001 to 15 January 2002 UNCC sent \$25,216,754.76 for 8026 individual claims in A, B, C & D categories. The money received last year in the above categories also continued to be disbursed during this period. In all, 8573 claims were disbursed for \$44,137,311.36 between 1 April 2001 and 15 January 2002. The break-up was as follows:

<u>Category</u>	<u>No. of Claims</u>	<u>Amount in US \$</u>
A	3888	7,869,204.12
B	2	5,000.00
C	4554	32,615,532.01
D	129	3,647,575.23
Total:	8573	44,137,311.36

In category E (corporate claims), an amount of \$15,418,576.91 was received during this period and has been disbursed to the concerned companies. In category F, the second instalment for \$40,000,000 has been received by the Ministry of External Affairs.

WEST ASIA AND NORTH AFRICA (WANA) REGION

India's relations with countries of West Asia and North Africa (WANA) region continued to gain further momentum and substance. India continues to be keenly interested in the peace, development, stability and economic and social development of the region. The relationship with the countries in the region was further strengthened by economic and commercial linkages. India's trade with this region registered steady growth. India repeatedly expressed its deep concern at the outbreak of violence in the region and condemned the excessive use of force and acts of provocation.

Djibouti

Bilateral relations with Djibouti remained friendly. Mr. Rachad Farah, the first non-resident Ambassador of the Republic of Djibouti who is resident in Tokyo and

concurrently accredited to India, presented his letter of credence to Rashtrapatiiji on 6 June 2001.

Libya

Relations with Libya continued to develop satisfactorily. A high-level six member delegation headed by Managing Director (ONGC - Videsh) visited Libya from 21-24 April 2001. Minister of State for Commerce and Industry Shri Omar Abdullah visited Libya from 10-12 July 2001 as Prime Minister's Special Envoy. During his stay in Tripoli he exchanged views with Foreign Minister Abdul Rahman Mohammed Shalgam, Minister of Economy and Foreign Trade, Abdul Salam Ahmed Al-Juwair, Minister of the High Planning Council Dr Al-Taher Al-Jehmi, Assistant Secretary for Cooperation Saad Mujber and the Chairman of the National Oil Corporation Ahmed Abdul Karim Ahmed. Shri Abdullah delivered to Minister of Foreign Trade and Economy Abdul Salam Ahmed Al-Juwair a message addressed to Col. Muammar al Qathafi by the Prime Minister. On the request of Libyan authorities, Ministry of Environment and Forests gifted a pair of Tigers to Libya. A delegation from Libyan National Oil Company held talks with Indian Oil Corporation in Delhi on 2 & 3 April to finalize the contract to supply 5 million tonnes of Libyan crude oil. At the India-Africa Health Summit held at Mumbai from 26-29 September 2001, Libya was represented by an official delegation. Engineer Saiful Islam, son of Col Gaddafi visited Delhi from 3-7 December 2001. He called on EAM. He also visited charitable organisations in Moradabad and Deoband. Special envoy of Col Qathafi Salem Ibrahim Salem visited from 2-5 January 2002. During his stay he called on Home Minister and Minister of State for External Affairs. Special Envoy Salem Ibrahim Salem again visited Delhi on 18-24 January. He met Principal Secretary to Prime Minister Shri Brajesh Mishra and called on Prime Minister on 23 January to whom he delivered a written message from Col. Qathafi.

Morocco

Relations with Morocco continued to remain warm and close. The first India-Morocco Foreign Office Consultations were held in Rabat from 31 October to 2 November 2001. The Indian delegation was led by Secretary(West). During his stay, Secretary (West) was received by Minister of Foreign Affairs and Co-operation, Mohammed Benaissa to whom he delivered a letter from the Minister of External

Affairs.

Minister of State for Commerce Shri Rajiv Pratap Rudy visited Rabat from 23-25 January to co-chair the Third Session of India-Morocco Joint Commission meeting. Besides holding discussions with his counterpart Shri Rudy called on Prime Minister Abderrahmane Al Youssoufie. A delegation of Parliamentarians and intellectuals led by Prof V K Malhotra, MP visited Morocco from 30 January-1 February 2002. A bust of Mahatma Gandhi was installed at the Al-Ahawayan University at Ifran on 10 October 2001. It was unveiled by the President of the University Dr Benmokhtar. At the India-Africa Health Summit, held at Mumbai from 26-29 September 2001, Morocco was represented by Secretary General, Ministry of Health Dr Fouad Hamadi.

Algeria

Relations with Algeria continued to be marked by warmth and close understanding. Decisions taken during the State visit of President Abdelaziz Bouteflika to India in 2001 were followed up. An Indo-Algerian Seminar on Aeronautical Techniques was held in Algiers from 9-11 April 2001. Additional Secretary (East) visited Algiers from 13-15 October 2001 for Foreign Office Consultations. During his stay in Algiers he called on Foreign Minister Abdelaziz Belkhader. Algeria was represented by Minister of Health & Population Abdelhamid Aberkane at the India-Africa Health Summit organised in Mumbai from 26-29 September 2001. Chief of Algerian Popular National Army Gen. Mohammed Lamari, accompanied by a high-power delegation, visited India 7-13 November 2001. Besides calling on the President, Gen. Lamari had meetings with Home Minister, Raksha Mantri and Minister of State for External Affairs. Minister-delegate incharge of Special Issues and Security Matters Amine Kherbi visited India from 16-18 January 2002. During his stay Minister Kherbi called on Home Minister, Minister of State for External Affairs and Principle Secretary to the Prime Minister. Engineers India Limited joined hands with SONATRACH to win a downstream consultancy project worth US \$ 6 million.

Israel

Cooperation with Israel in diverse fields continued to develop satisfactorily. Chief of Naval Staff, Admiral Sushil Kumar visited Israel from 30 April to 5 May 2001. Defence Secretary visited Israel from 15-17 May 2001. During his stay in Israel he

called on Minister of Defence Benjamin Ben Eliezer and other senior officials in the Israeli Defence Forces. Secretary (Defence Production & Supplies), visited Israel from 15-20 July 2001. Minister of Information Technology, Communication & Parliamentary Affairs Shri Pramod Mahajan visited Israel from 21-23 January 2002. Shri Mahajan called on President Moshe Katsav, Deputy Prime Minister & Foreign Minister, Defence Minister, Minister of Communication, Minister of Trade & Industry and Minister of Environment. During his stay in Israel a Memorandum of Understanding on cooperation in Industrial Research and Development was signed. Senior Deputy Director General in the Ministry of Foreign Affairs of Israel Yoav Biran visited India as a Special Emissary of Deputy Prime Minister & Foreign Minister Shimon Peres from 25-27 August 2001. He delivered a letter to Minister of External Affairs from Deputy Prime Minister and Foreign Minister Shimon Peres. The third round of India-Israel Strategic Dialogue was held in New Delhi on 11 & 12 September 2001. The Indian delegation was led by National Security Advisor Shri Brajesh Mishra and the Israeli delegation was led by National Security Adviser Maj. Gen. Uzi Dayan. During his stay in New Delhi, Gen. Dayan called on the Prime Minister. Defence Secretary of Israel Maj. Gen. (Retd.) Amos Yaron visited New Delhi from 19-22 November 2001 as part of six monthly consultations at the level of Defence Secretaries. Parliamentary delegation from Israel led by Member of Knesset & Chairman of Israel-India Parliamentary Friendship League Amnon Rubeinstein visited India from 27 November to 2 December 2001. The sixth round of India-Israel Foreign Office Consultations was held in New Delhi on 18 & 19 December 2001.

The Indian delegation was led by Special Secretary (East). The Israeli delegation was led by Deputy Director General, Ministry of Foreign Affairs Zvi Gabay. During his stay in Delhi, Mr. Gabay called on Minister of External Affairs and Agriculture Minister. Deputy Prime Minister and Foreign Minister of Israel Shimon Peres visited India from 7-10 January 2002 to attend the CII Partnership Summit held in Bangalore. He utilised this opportunity to visit New Delhi to brief the Indian leadership on the situation in West Asia and the status of Middle East Peace Process, and to convey Israel's strong condemnation of the terrorist attack against the Indian Parliament on 13 December 2001. While in New Delhi, Deputy Prime Minister and Foreign Minister Shimon Peres called on the Prime Minister, Minister of External Affairs, Home Minister and Raksha Mantri. Minister of Environment Tzachi Hanegbi will be

visiting India from 7-11 February 2002 to attend the "Delhi Sustainable Development Summit 2002" being organised by TERI.

Jordan

Bilateral relations with Jordan retained the positive trends of understanding and cooperation. Additional Secretary (East), visited Amman on 11 November and exchanged views with the Secretary General in the Jordanian Ministry of Foreign Affairs Shaker Bak on the situation in the area and ways and means to further enhance bilateral relations between the two countries. Minister of State for Railways Shri Digvijay Singh transited through Amman from 20-23 January 2002. A delegation of Parliamentarians and intellectuals visited Amman from 30 January to 1 February. The delegation was led by Shri R. L. Bhatia, MP. Amongst others, the delegation called on Regent Prince Faisal.

Egypt

India's multi-faceted ties with Egypt continue to grow and acquire momentum. Minister of State for Science & Technology, Shri Bachi Singh Rawat, visited Egypt on 24 & 25 June 2001 for the first meeting of the India-Egypt Joint Committee for Science & Technology. During the visit a Memorandum of Understanding for cooperation was signed between the Council for Scientific & Industrial Research of India and Academy for Scientific Research and Training of Egypt. A delegation from the Confederation of Engineering Industry of India visited Egypt from 13-16 July 2001. The delegation called on the Minister of Planning and International Cooperation Dr. Ahmed Mahrous El Darsh and the Minister of Economy and Foreign Trade Dr. Youssef Boutros Ghali. A delegation of Parliamentarians and Intellectuals led by Shri R. L. Bhatia, MP visited Egypt from 27-30 January 2002. During their stay in Cairo the delegation called on President Hosni Mubarak and delivered to him a letter from the Prime Minister. The delegation also called on the Prime Minister of Egypt. The third round of India-Egypt Foreign Office Consultations was held in New Delhi from 24-28 December 2001. The Indian delegation was led by Special Secretary (East), and the Egyptian delegation was led by Asstt. Foreign Minister for Asian Affairs, Amb. Abdel Raheed Shalaby. During his stay in New Delhi, Amb. Shalaby called on Minister of State for External Affairs, Shri Omar Abdullah. A two member Egyptian delegation

led by Chairman, Drug Policy & Planning Centre, Dr. Mustafa Al-Hadari, visited Mumbai from 26-29 September 2001, to participate in India-Africa Health Summit. A high level Ministerial delegation from Egypt led by Minister for Foreign Trade Dr. Youssef Boutros Ghali, and including Minister of Industry and Technological Development, Dr. Aly Fahmy El-Saidi and a large number of senior officials, businessmen, and journalists visited India from 9-16 January 2002, to participate in the CII Partnership Summit 2002 in Bangalore. During their stay in Bangalore, Minister for Foreign Trade, Dr. Youssef Boutros Ghali, and Minister of Industry and Technological Development, Dr. Aly Fahmy El-Saidi called on Minister of Commerce & Industry Shri Murasoli Maran. The second meeting of the India-Egypt Joint Business Group and the first meeting of India-Egypt Joint Working Group on Information Technology were also held in Bangalore during the visit of Egyptian Ministerial delegation. After attending the Partnership Summit in Bangalore, the delegation visited New Delhi from 12-16 January. Both Dr. Youssef Boutros Ghali and Dr. Aly Fahmy El-Saidi called on the Prime Minister, Minister of External Affairs, Minister of Disinvestment, Minister of Finance and Minister of Agro and Rural Industry. United Service Institute of India and the National Centre for Middle East States of Egypt held a seminar in New Delhi on 27 & 28 December 2001.

Sudan

Relations with Sudan continued to remain close and friendly. Minister of State for Commerce and Industry, Shri Rajiv Pratap Rudy, visited Khartoum from 26-29 January 2002 to represent India at the Khartoum International Trade Fair.

Besides holding discussions with his counterparts Minister Rudy also called on President Lt Gen Omer Hasan Ahmed El- Bashir. A delegation of Parliamentarians intellectuals led by Deputy Chairperson of Rajya Sabha Smt Najma Heptulla will be visiting Khartoum from 30 January-1 February 2002. Amongst others, the Indian delegation was received by President Lt Gen Omer Hasan Ahmed El-Bashir. At the invitation of Minister of Information and Broadcasting, Sudan's Minister of Information and Communication Dr Ghazi Salahudeen visited India from 21-26 May 2001 and called on Minister of Information & Broadcasting, Smt Sushma Swaraj and Minister of Telecommunications Shri Ram Vilas Paswan. During the discussions it was agreed to sign a Memorandum of Understanding between India and Sudan on

cooperation in the field of telecommunications. Minister of Science and Technology Prof. Al-Zubair Bashir Taha would be visiting India from 25 February to 1 March 2002. During his visit an agreement on science and technology is proposed to be signed.

Syria

India's relations with Syria continue to be marked by warmth and close cooperation. Secretary, Department of Biotechnology, visited Damascus from 28-31 May 2001 and held discussions with Minister of Higher Education, Dr. Hassan Risheh, and other officials on the proposal to set up a biotechnology centre in Damascus. During the discussions, it was agreed that India will provide training to senior Syrian scientists and engineers in running biotechnology centre. Director, Indian Institute of Management, Ahmedabad, Shri Jahar Saha, visited Damascus from 19-22 August 2001. He held discussions with Minister of Higher Education, Dr. Hassan Risheh, and other Syrian officials on the proposal to set up a Management Institute in Damascus. Additional Secretary (East) in the Ministry of External Affairs, visited Damascus from 21-23 August 2001 and held discussions with Deputy Prime Minister for Economic Affairs, Dr. Khaled Ra'ad, Speaker of the People's Assembly of Syria Mr. Abdul Qader Quaddoura, Information Minister, Mr. Adnan Omran, Deputy Minister for Foreign Affairs, Mr. Suleiman Haddad and MOS for Foreign Affairs, Mr. Nasser Qaddour. Additional Secretary (East) again visited Damascus on 6 & 7 November 2001 and called on Deputy Minister for Foreign Affairs, Mr. Suleiman Haddad. During his both the visits Additional Secretary (East) exchanged views with his interlocutors on the situation in the region and proposals to enhance bilateral cooperation. A delegation of Parliamentarians and intellectuals led by Member of Parliament Shri R.L. Bhatia visited Damascus from 1-4 February 2002. Amongst others the delegation called on Prime Minister of Syria Dr. Mohammad Mustafa Mero.

Palestine

India continued to extend political, material and technical assistance to Palestine. India repeatedly expressed its concern at the continued escalation of violence which derailed the peace process and strongly condemned Israeli attacks against the offices of President Mr. Yasser Arafat and other Palestinian institutions. India stressed that nothing should be done to undermine the authority of the President Mr. Yasser Arafat

who, in his person embodies the Palestinian struggle which India has supported for decades as a cardinal principle of its foreign policy. India fully supports all efforts to break the cycle of violence, bring about a cease-fire and to build mutual trust and confidence through the steps outlined in the Mitchell Report and the Tenet Plan. India believes that a definitive resolution of the Palestinian-Israeli dispute should result in the creation of a viable state of Palestine, alongside Israel, within secure and recognized borders, in implementation of UN Security Council Resolution 242 and 338 and of the principle of 'Land for Peace' that have underpinned the peace process in West Asia. India called on both sides to immediately resume negotiations focused on confidence building and with a vision for the future. Minister of State for External Affairs, Shri U.V. Krishnam Raju represented India at the NAM Ministerial Conference on Palestine held in Pretoria on 3 May. During his stay, Shri Raju called on President Mr. Yasser Arafat and reiterated to him India's consistent and unwavering support to the Palestinian cause. Special Secretary (East) in the Ministry of External Affairs, visited Ramallah on 5 January 2002. He called on President Mr. Yasser Arafat and delivered to him a letter from the Prime Minister. Minister of External Affairs, Shri Jaswant Singh, spoke to President Mr. Yasser Arafat in August and December to enquire about the situation in the region and to convey Government of India's solidarity with the people of Palestine. President Yasir Arafat came to Delhi on a working visit on 23 August 2001. He called on the Prime Minister and briefed him on the situation in the region. India gifted medicines and food supplies worth Rs.75 lakhs and hospital equipment worth Rs. 1.40 crores approx. to Minister of Health of Palestine, Dr. Riad Zanoun. Joint Secretary (WANA) visited Gaza on 15 July 2001 to formally hand over the medical supplies to the Palestinian Ministry of Health.

Lebanon

Relations with Lebanon continue to be friendly. Additional Secretary (East) in the Ministry, visited Beirut on 23 & 24 August. During his stay he exchanged views with Mr. Zuheir Hamdan, Secretary General in the Ministry of Foreign Affairs on situation in West Asia and bilateral relations. He also visited UNIFIL Headquarters at Naqoura. Maj. Gen. Lalit Mohan Tewari took over as the UNIFIL Force Commander.

Tunisia

Bilateral relations with Tunisia continued to be marked by mutual understanding. Minister of Chemicals and Fertilizers, Shri S S Dhindsa, visited Tunis from 21-23 June 2001. During his stay, Shri Dhindsa was received by Prime Minister Mohamed Ghannouchi. He also called on Industry Minister Moncef Ben Abdallah and Foreign Affairs Minister Habib Ben Yahya. The first India-Tunisia Foreign Office Consultations were held in Tunis on 10 & 11 December 2001. Indian delegation was led by Secretary (West). During his stay, Secretary (West) was received by Tunisian Foreign Minister Habib Ben Yahya, to whom he delivered a letter from Minister of External Affairs. A delegation of Parliamentarians and intellectuals led by Member of Parliament Prof V K Malhotra visited Tunisia from 30 January-1 February 2002.

League of Arab States

India kept its engagement with the League of Arab States. Minister of External Affairs Shri Jaswant Singh had telephonic conversation with the Secretary General of the League of Arab States, Mr. Amir Moussa on 22 September 2001. An Indian delegation is likely to visit Cairo soon to initiate a regular and structured dialogue with the League of Arab States.



6

Africa (South of Sahara)

Africa continued to occupy a special place in our diplomatic interaction. India's relationship with this important continent, which constitutes the largest bloc of countries in the United Nations, has been built on the strong political foundations of the past. The challenge today is to give even greater economic content to this historic relationship taking into account new and emerging opportunities. As always, a significant feature of India's interaction with Africa was the sustained high level of bilateral exchanges. Indeed, in reinforcing people to people contacts, these exchanges with an increasingly democratic Africa constitute a growing area of interaction.

Mauritius

There is hardly any aspect of bilateral and multilateral relationship that is left untouched in the wide gamut of excellent relations between India and Mauritius. These wide-ranging relations nevertheless received a new momentum.

The High Level Committee on the Indian Diaspora visited Mauritius from 20-22 April. Among the Ministers from India side, Minister of State for External Affairs Shri U.V. Krishnam Raju, and Minister of Heavy Industries, Shri Manohar Gajanan Joshi visited Mauritius (10-12 April and 29 April-2 May respectively). Minister of State for Home Affairs, Shri Vidya Sagar Rao, (12 October) and Minister of State for Communications, Shri Tapan Sikdar (10 & 11 November) also paid official visits to Port Louis. Visitors from Mauritius to India included Minister of Social Security, Mr. National Solidarity and Senior Citizen Welfare, Samiollah Lauthan (26 September - 1 October) and Minister of Tourism, Mr. Nancoomar Bodha (18-24 October).

Mauritius commemorated in a major manner the centenary of Mahatma Gandhi's visit to Mauritius. Minister of Human Resource Development, Science and Technology and Ocean Development, Dr. Murli Manohar Joshi visited Mauritius (31 October - 4 November) as the Chief Guest at the concluding ceremonies of this celebration. As a symbolic measure, two Naval Ships INS 'Tir' and 'Krishna' visited Mauritius on 29 October, the exact date when the ship SS Nowshera carrying Mahatma Gandhi had arrived in Mauritius 100 years ago.

Economic relations between Mauritius and India were further strengthened with the signature of a line of credit of US \$100 million to be used for the establishment of a Cyber city and promotion of Information Technology. Trade between India and Mauritius grew apace. Tourism between Indian and Mauritius also grew significantly and Air Mauritius started a second weekly flight to India, bringing to a total of six flights per week between India and Mauritius. Mauritius was chosen as the first ever partner country for the CII, the Ministry of External Affairs and Ministry of Tourism sponsored Tourism Trade Fair.

Cultural relations continued to form an important bedrock of our relations.

Mauritius supported India's candidatures in various international forums. Speaking at the UN General Assembly (11 November), Prime Minister Sir Anerood Jugnauth said that no matter what be the criterion for expansion of the membership of the UN Security Council, India should be made a permanent member at the earliest. He also condemned "cross-border terrorism" that had afflicted the Indian sub-

continent.

Mr. Sushil K. C. Khushiram, Minister of Economic Development, Financial Services and Corporate Affairs of Mauritius visited India in December 2001. During the visit, he had meetings with Minister of Finance and Minister for Human Resource Development.

The Chief Justice of Mauritius, Mr. A.G. Pillay accompanied by his wife came to India on a private visit in December 2001-January 2002. He also attended a conference of Chief Justices in Lucknow.

President Mr. Cassam Uteem of Mauritius was the Chief Guest at the Republic Day celebrations in January 2002. The Jamia Milia University conferred an Honorary Doctorate Degree on the President Uteem. During his stay in India, he also visited Chandigarh, Shimla, Udaipur, Bangalore, Hyderabad and Mumbai to have a first hand knowledge of India's achievements in the fields of Small and Medium Scale Industries, Transport, Communications and Information Technology. He also met the captains of Indian industry at a lunch organized by the FICCI and CII in Bangalore.

Seychelles

India has an important link with Seychelles in the form of Indian nationals working in Seychelles. Large construction companies owned by Seychellois of Indian origin employ hundreds of construction workers on contract. Direct air links between India and Seychelles are just about to be resumed. Seychelles has over the years been extending valuable support to India at the international fora and in turn, on more than one occasion, Seychelles has turned to India in times of need. We tried to accommodate their needs within our constraints. Minister of State for Home Affairs, Shri Vidyasagar Rao led a 4-member delegation to Mahe (8-12 October) to undertake a study of island tourism. During a meeting with the visiting Indian dignitary, Foreign Minister Bonnelame reiterated the position of Seychelles that Kashmir was a bilateral issue between India and Pakistan and no third party intervention was required. He also promised his country's support to India's position on UN reforms and UNSC membership. Indian Navy training ships Tir and Krishna visited Port Victoria (22-25 October) on a goodwill visit. Indo-Seychelles Defence Forces Joint training during end-November evoked considerable interest in the field of defence co-operation.

Kenya

India-Kenya relations continued to be cooperative and cordial. Bilateral exchanges covered the area of international terrorism where both held similar views. The relationship was given additional momentum by the visits to India of Kenyan Ministers in charge of Roads and Public Works, Public Health, and Transport and Telecommunications. From the Indian side, the visit of Minister of State for External Affairs, Shri Omar Abdullah contributed to deepening of mutual understanding and cooperation on a wide range of political and economic issues. The Kenyan Navy Commander also visited India to take part in the International Fleet Review where two Kenyan naval ships participated marking the maiden call on Indian ports by the Kenyan Navy.

The visit of Minister of State for Commerce & Industry to Kenya to co-chair the Joint Trade Committee marked the continuing importance India placed on Kenya as a partner in commercial and economic fields, both bilaterally and regionally.

On the education front, visits to India by the Vice Chancellor of the United States International University (USIU) and the holding of an Indian Educational Fair by Ed.CIL in Nairobi cemented institutional linkages. The Kenya-Indian Friendship Association (KIFA) held a series of events in conformity with its mandate. The visit by the High Level Committee on Indian Diaspora was welcomed by the large Indian community.

Mr. Musalia Mudavadi, Minister for Transport & Communications of Kenya paid an official visit to India on the invitation of our Minister of Communications in December 2001. He was accompanied by a high power 16-member delegation. A Memorandum of Understanding was signed between Ministry of Communications and Kenya. It is expected that the Memorandum will facilitate further cooperation in the telecommunications sector between our two countries.

Tanzania

Foreign Minister of Tanzania, Mr. Jakaya Mrisho Kikwete visited India (23-25 May) at the invitation of the Minister of External Affairs. The visit is significant as it coincided with the holding of the 5th Joint Commission meeting being convened after a gap of 20 years.

There has been a rapid improvement in the economic and commercial ties between India and Tanzania taking India to the position of one of the largest trading partners of Tanzania. There has also been an encouraging trend for collaboration in the field of manufacturing and technology-based service sectors. Agriculture, small-scale industries, agro-processing, pharmaceuticals, health care, oil and gas exploration, information technology and HRD have been identified as priority areas for cooperation. A Memorandum of Understanding was signed to promote further cooperation in the Small and Medium Enterprises sector. India also announced a decision to set up a Small Industries Centre in Dar-es-Salaam.

Ethiopia

The preoccupation of the ruling Ethiopian Peoples' Revolutionary Democratic Front with its internal organisational reforms had somewhat affected the Government's efforts in enhancing its relationships with other countries including India. India contributed 1,366 troops and other staff to the United Nations Mission in Ethiopia and Eritrea (UNMEE) which is monitoring the cease fire agreement between the two countries. India is the largest contributor of troops to UNMEE. However, in spite of an unstable political situation in that country, Indian companies continued to secure contracts e.g. M/s Rail India Technical and Economic Services and Consulting Engineering Services for road consultancy projects, M/s Kalpataru Power Transmission Ltd. and M/s Jyoti Structures Ltd. for power transmission projects, WAPCOS for integrated water resources project. State Bank of India is also in the final stages of negotiations for a 3-year management contract of the Commercial Bank of Ethiopia.

Eritrea

India's relations with Eritrea remained cordial. An agreement for cooperation in agricultural research and education has been signed between India and Eritrea. Minister of Agriculture of the State of Eritrea, Mr. Arefaine Berhe visited India at the invitation of our Minister of Agriculture in the month of June.

Madagascar

During the visit of the Foreign Minister of Madagascar to India (25-27 April), a Protocol on Mutual Consultations at the Foreign Office level was signed by the Foreign

Ministers of two countries. The Agreement on Cultural and Scientific Cooperation between the two countries was also ratified.

In the field of trade and commerce, there has been an upward trend in Indian exports from US\$ 4.4 million in 1995 to US\$ 13.388 million in 2000. The balance of trade continues to be in India's favour.

South Africa

A 'Strategic Partnership' forms the basis of India's bilateral relations with South Africa. While there has been a steady increase in the volume of trade and commerce between the two countries, co-operation in important areas like defence, health, mining and housing & public works continued to the mutual benefit of both the countries. The South African Ministers of Public Works; Health and Mines visited New Delhi in May, July and November respectively.

There are many ongoing dialogues between India and South Africa for establishment of projects with transfer of technology, joint production etc.- all aimed at long-term defence industrial production. Exchange of training programmes between the two countries defence forces are also continuing. Major Indian pharmaceutical companies manufacturing anti-retroviral drugs have registered their products in South Africa. This will definitely help those companies to supply their formulations to other Sub-Saharan African countries.

The Confederation of Indian Industry (CII), jointly with the High Commission of India in South Africa, organized a 'Made in India' Show in Johannesburg (18-21 July). Over 70 Indian companies participated in that Show. The CII also organised a "Enterprise India" exhibition of Indian small and medium enterprises, products and services, at Durban (19-21 September).

Namibia

The relations between India and Namibia continued to be marked by the traditional sense of closeness and mutual understanding. The effort during the year was to enhance our interaction in the areas of trade & economy as well as technical co-operation.

The Confederation of Indian Industry (CII) in close cooperation with the Ministry of Trade & Industry organized "Enterprise India", an exhibition of Indian small and

medium enterprises, products and services, at Windhoek (25-27 September). The highlight of the exhibition was its inauguration by the President of Namibia, Dr. Sam Nujoma. Minister of State for Small Scale Industries, Government of India, Smt. Vasundhara Raje visited Namibia, specially invited by the Namibian Minister of Trade & Industry, to be present during the inauguration of this exhibition. Her visit, coming as it did after a gap of over 3 years when Prime Minister Shri Atal Bihari Vajpayee visited Namibia in 1998, proved to be an important milestone in the bilateral relations between the two countries.

The Namibian position on Kashmir as well as India's candidature for permanent membership of the UN Security Council has been very supportive.

The Namibian Secretary to the Cabinet, Mr. Frans Kapofi, led a three member delegation to India from 10-14 December 2001 mainly with the objective of studying the Cabinet system in India, the functioning of the Civil Service and the Public Service Management System. During his visit, Mr. Kapofi called on Minister of State for Small Scale Industries & ARI, Smt. Vasundhara Raje, in addition to his meeting with the Cabinet Secretary, Secretary (ER), Chairman of the Union Public Service Commission and Secretary (Heavy Industry).

Mozambique

Ms. Aida N. Libombo, Vice Minister of Health, visited India (5-15 July) as a guest of the Indian Drug Manufacturers' Association. One of the immediate outcomes of the visit was that the Ministry of Health decided to include some of the Indian companies in the list for inviting tenders for supply of medicines/pharmaceuticals to the Mozambican Government. Mozambique opened its High Commission in New Delhi in the first week of December this year.

Botswana

With Botswana's impressive record of economic growth and strong macro-economic fundamentals, a large number of Indian companies visited Botswana to explore investment opportunities. The Botswana Export Development and Investment Authority led a delegation to India in September. The Government of Botswana continued to recruit Indian experts through Educational Consultants India Limited and a batch of some 40 teachers and 10 doctors and engineers arrived in Botswana during the year.

Zambia

Bilateral relations between India and Zambia continued to grow during this period. The fourth meeting of the India-Zambia Joint Permanent Commission was held in Lusaka (22-25 October). The six-member Indian delegation was led by Minister of State for External Affairs Shri Omar Abdullah. The Zambian side was led by Deputy Minister for Finance Mr. Godfrey Simasiku. Indo-Zambia Bank, a joint venture bank between three Indian banks (Bank of India, Bank of Baroda and Central Bank of India) and Government of Zambia has performed very well during the year 2000-2001. It has excelled in all key parameters of performance.

Presidential, Parliamentary and local government elections were held on 27 December 2001. Former President Chiluba's nominated candidate of the ruling MMD Party, Mr. Levy Mwanawasa was declared winner of the elections and was sworn in as President of Zambia on 2 January 2002. However, the ruling party lost its majority in the Parliament. Out of 148 constituencies, MMD candidates won only 68 seats. Among the important opposition parties, UPND has bagged 49, FDD has secured 13 while 11 seats have gone to UNIP.

Zimbabwe

The land issue in Zimbabwe dominated the domestic politics, economy and social life throughout the year. Undaunted by criticism and threatened by sanctions from the western countries led by the USA and EU, the Government of Zimbabwe pursued its planned land acquisition and resettlement programme. The mutual beneficial relations between India and Zimbabwe continued despite the negative Western perception about Zimbabwe. Though the economic climate in Zimbabwe affected bilateral trade, India's assistance to Zimbabwe under ITEC/SCAAP for their human resources development continued as in the past years. India's commitment under G-15 forum to assist Zimbabwe in SME sector and in setting up information technology training centre for Africa in Harare, made some progress.

Malawi

The second term in office of President Bakili Muluzi provided Malawi a certain degree of stability and growth. Malawi is favourably disposed towards India on India's nuclear policy. Officials of the Malawi Electoral Commission visited India to study

Indian electoral system. Even without a resident Indian Mission in Malawi, bilateral trade between both the two countries continued to grow.

Nigeria

The path breaking visit of Nigerian President Olusegun Obasanjo as the Chief Guest at the Republic Day celebrations in the very first year of the new millennium provided a definitive momentum to the economic content of our bilateral relations with this important west African country. India has also been extending all cooperation in developing the nascent democratic institutions in Nigeria.

During this period a four-member delegation of the Nigerian Presidential Advisory Council on International Relations visited India (25-28 April). A Nigerian Parliamentary delegation visited India (12-20 August) to learn the Indian Parliamentary procedure. The delegation called on the Vice President and had extensive talks with the Minister of Parliamentary Affairs and the members of the Standing Committee of the Parliament on External Affairs. They also called on the Minister for Information Technology and Minister of State for External Affairs. Another important delegation from Nigeria was from the Kano State House of Assembly. They called on the Speaker of Delhi Legislative Assembly and the Chief Election Commissioner of India.

At the invitation of the Minister of State for Small Scale Industries, the Nigerian Minister of Industry visited New Delhi in November to have a first hand knowledge of India's achievements in the field of Small and Medium Enterprises.

A Memorandum of Understanding between the Government of India and the Government of the Federal Republic of Nigeria on the utilization of Government of India's US\$ 5 million grant for the revival of the Nigeria Machines Tools Ltd., within the framework of G-15 cooperation was signed in Abuja (14 September). Simultaneously, the Ministry of External Affairs signed an agreement with HMT(I) Ltd., Bangalore for undertaking this project for the development of Nigeria's small scale industry sector.

The Nigerian Minister of Communication alongwith three senior executives of Government of Nigeria visited India at the invitation of the Minister of Communications, Shri Pramod Mahajan. This visit provided an opportunity for the

visiting Nigerian Minister to have a first-hand knowledge of our achievements in this field and also gave a definitive momentum to our growing technical cooperation.

Ghana

Bilateral relations between India and Ghana remained cordial and friendly during the period under report. After the Presidential and Parliamentary elections in December 2000, there has been a change of government in Ghana ending a twenty-year's rule by Ft. Lt. Jerry John Rawlings. The new government evinced keen and earnest desire to raise the level of our existing bilateral relations. The two countries agreed to sign a cultural and Scientific Exchange Programme for the year 2002-2004.

Burkina Faso

Bilateral relations between India and Burkina Faso have been friendly. The Burkinabe Minister of Employment and Professional Training visited India in September this year.

Liberia

India and Liberia maintained cordial and friendly relations. However, owing to the imposition of the Secondary Sanctions by the UN on this country, bilateral interactions remained limited.

Cote d' Ivoire

Relations between Cote d' Ivoire and India are cordial. The military coup of December 1999 and the political difference between the leaders have badly affected the economic development of the country and the economy continues to shrink. The Prime Minister of Cote d' Ivoire is expected to lead a delegation to India in January next year to seek Indian Investment and technology for their Small and Medium enterprises, industries and agriculture.

Aid to African Countries

To foster the strong tradition of cooperation that has developed with Sub-Saharan African countries during the last five decades, to cultivate an image of dependable partnership in the effort towards socio-economic development and to utilize these mechanisms to further promote India's political and economic objectives in Africa,

we have been assisting the developing countries in this region to develop their various economic and social infrastructure through assistance under Aid to African Countries Fund.

India has been offering substantial aid to Burkina Faso. A Farmers' Project is currently going on in **Burkina Faso** with our assistance. Six Indian farmers are teaching their Burkinabe counterparts techniques of modern farming.

As a goodwill gesture, India donated medicines to the flood victims of **Mozambique**. The medicines were formally handed over to the Vice-Minister of Health (20 September). Another donation consisting of various agricultural equipment, seeds, mosquito nets and an ambulance to the **Foundation for Community Development**, a prominent NGO in Mozambique, which is involved in community development in the fields of education, health, water, sanitation, training, income generation etc., is in offing.

Assistance was also provided to **Ghana** by donating 25 computer sets, 250 hand water-pumps, 200 pedestal sewing machines, 25 motor cycles, 25 mopeds and 350 bicycles. These donations have gone a long way in employment generation in the rural areas of the country. In the same spirit, India donated five tractors to the **Liberian** Ministry of Food & Agriculture.

This year when a famine-like situation was created in **Eritrea** as a result of a long period of drought, our gesture in donating 200 MT of sugar and 1500 MT of wheat to Eritrea was very much appreciated.

Democracy being our calling card abroad, consignments of indelible ink were sent to **Benin** and **Lesotho** for use during the democratic elections in those countries.

Shri Omar Abdullah, Minister of State for External Affairs handed over a donation of US \$ 1 million to Dr. Nelson Mandela in support of the activities of the Nelson Mandela Foundation. The Nelson Mandela Foundation set up by Dr. Mandela devotes itself to a variety of projects for peace, stability and development in the whole of Africa.

Assistance to Sub-Saharan African countries: A major cyclone hit Mauritius caused extensive damage to property in January this year. Keeping in view our special relations with Mauritius and the gesture of Mauritius in extending humanitarian assistance after the earthquake in Gujarat last year, PM conveyed India's willingness to assist Mauritius at their hour of crisis. An amount of one million US dollars will be donated to the Government of Mauritius in their reconstruction works.

India-Africa Pharma & Health Summit

A four day India-Africa Health Summit was organised at the World Trade Center, Mumbai (26-29 September) by Ministry of Commerce & Industry and the Federation of Indian Chambers of Commerce & Industry. Africa Division assisted to arrange this Summit in a meaningful way and India's missions in the Sub-Saharan Africa were in touch with the concerned local business associations and the Government Ministries/Departments in the countries of their accreditation for their participation. High-level Health Ministry delegations from 16 African countries participated in that Summit. Ministers of Health from eight of these countries led their delegations. Renowned Indian pharma and health care companies showcased India's capabilities in these sectors to the visiting African delegations. The Summit provided an opportunity to the African participants to interact with leading Indian Pharma companies and health care service providers. This also led the foundation for sustainable partnership in the Pharma and Health Care sectors in the form of Indian joint ventures and subsidiaries in the African countries.

Relations with the Regional Organisations in Africa:

India has been consistently supporting the objectives and activities of the OAU since its inception in 1963. Replacing the Organisation of African Unity, a new Pan-African body, the African Union, has formally been launched during the OAU Summit held in Lusaka in July this year. With the formal take off of the African Union, we are hopeful that the new body will serve the needs of the African countries in a meaningful way in their efforts towards economic development and peace.

The drive towards regionalisation in Africa reflects the natural urge of the African countries towards better economic and, eventually, political integration and their seriousness in addressing the problem of market fragmentation. India is engaged in constructing relations of partnership and cooperation with regional organizations like the Southern African Development Community, Common Market for Eastern and Southern Africa and East African Community (EAC). While there is an MoU of cooperation between India and the SADC, negotiations with the EAC as well as COMESA Secretariat for signing Memoranda of Understanding with these important east African regional organizations are at the final stage.



7

Europe

East Europe

India's relations with countries of East and Central Europe have been historically close and traditionally warm and friendly. Cooperation with these countries is multi-faceted in character and comprehensive in content. Political relations with each of the countries have been problem-free. There have been significant exchanges with all the countries in the field of science and technology and cultural exchanges have afforded close people-to-people contacts. Despite the move by a majority of the countries of the region to seek greater integration into Euro-Atlantic structures, they have continued to place emphasis on traditional ties with India. Our ties were strengthened through exchange of visits during the year 2001. Besides high level visits, interaction at Ministerial, Parliamentary and official levels continued on a regular basis. The high point of these exchanges was the State Visit to the Russian Federation by the Prime Minister Shri A B Vajpayee in November 2001.

To review India's bilateral relations with the countries in the Europe East Division and to determine policies to give a fresh impetus to all round development of these relations, Minister of State for External Affairs Shri Omar Abdullah presided over an inter-ministerial discussion on 21 January 2002. He thereafter interacted on 24 January 2002 with the Heads of Missions in New Delhi of the countries covered by the Europe East Division. Further, a Conference of the Indian Heads of Missions is scheduled to take place in Warsaw on 23 & 24 February 2002.

Many countries in the Europe East Division condemned the terrorist attacks on

Indian Parliament on 13 December 2001. The messages also expressed condolences at the loss of lives.

Trade and economic cooperation, however, has not been commensurate with its true potential. Also one sore point in our relations with some of the Europe East countries, especially those aspiring to become members of the European Union (EU), continues to be the restrictive visa regimes followed by them.

Presidential and Parliamentary elections were held in many of the countries of East and Central Europe during the year 2001. Following Presidential elections, Mr. Vladimir Voronin assumed the office of the President of Moldova on 7 April 2001. President Voronin thereafter appointed Mr. Vasily Tarlev as the new Prime Minister of Moldova on 11 April 2001. Parliamentary elections were held in Montenegro in April 2001, after which, President Milo Djukanovic swore in a coalition government led by Prime Minister Filip Vujanovic. The Ukrainian Parliament voted out the Government led by Prime Minister Viktor Yushchenko on 26 April 2001 through a no-confidence motion. It subsequently approved on 29 May 2001 business lobbyist Mr. Anatoliy Kinakh as the country's new Prime Minister. Following the Parliamentary elections held on 17 June 2001, ex-Bulgarian King, Mr. Simeon Saxe Coburg Gotha became the Prime Minister of Bulgaria. In Albania, the incumbent Prime Minister Ilir Meta retained his party's majority in the Parliamentary elections held on 24 June 2001. However, he resigned on 29 January 2002 after failing to resolve a party feud that paralysed the political life and vital reforms in the country. Lithuania's Prime

Minister Rolandas Paksas resigned on 20 June 2001 after a leading political party walked out of his coalition government. Thereafter, former President of Lithuania, Mr. Algirdas Brazauskas, was appointed as the new Prime Minister of Lithuania on 3 July 2001. Following multiple rounds of presidential elections in the Estonian Parliament in August 2001, Mr. Arnold Ruutel assumed the office of President on 8 October 2001. In Poland, following general elections held on 23 September 2001, a left wing coalition formed the government under the Prime Ministership of Mr. Leszek Miller. In Belarus, Mr. Alexandr Lukashenko was re-elected President in the elections held on 9 September 2001. Mr. Lukashenko appointed in October 2001 Mr. Gennady Novitsky as the new Prime Minister. Following presidential elections in Bulgaria held from 11-18 November 2001, Mr. Georgi Parvanov emerged victorious as the President and his running mate, Gen. Angel Marin, as the Vice President. They were sworn in on 22 January 2002. In November 2001 elections for the Kosovo Assembly, Kosovo Democratic Alliance (KDA), led by the moderate leader Mr. Ibrahim Rugova, emerged the single largest party but failed to get a majority of seats. Mr. Mart Laar stepped down as Prime Minister of Estonia on 8 January 2002. Mr. Siim Kallas of the Reform Party won the approval of the Estonian Parliament on 22 January 2002 and assumed office of the Estonian Prime Minister on 28 January 2002.

Addressing the nation on 13 December 2001 after the US decision to withdraw from the 1972 ABM Treaty, President of the Russian Federation Mr. Vladimir V Putin termed the US decision as a mistake albeit not surprising. He said that the US decision would not pose a threat to Russian national security as it has an effective system of missile defence. He added that despite the US announcement, the current level of US-Russia bilateral relations should not only be sustained but must be used to speedily work out a new framework for strategic relations. He further said the 'As the world has come to face with new threats, it is essential that we prevent legislative vacuum in the field of strategic stability. One should not undermine the mechanism that prevent the proliferation of mass destruction weapons'.

Former President of Yugoslavia Mr. Slobodan Milosevic was extradited on 28 June 2001 to the Hague for trial by the International Criminal Tribunal for former Yugoslavia (ICTY). Mr. Milosevic is the first former Head of State to be tried for crimes against humanity by the ICTY, established in 1993.

NATO and EU mediators succeeded in persuading the Macedonian Government and the ethnic Albanians to sign a peace agreement on 13 August 2001. Under the peace agreement, Albanian rebels agreed to surrender their arms in return for political rights granted by the Macedonian Government. To oversee the disarmament process, 3500 NATO soldiers were deployed. The UN Security Council approved a peacekeeping mission in the Former Yugoslav Republic of Macedonia after the mandate of the NATO troops stationed there ended on 26 September 2001. The Macedonian Parliament passed on 16 November 2001 fifteen amendments to the country's Constitution which were envisaged in the 13 August 2001 peace agreement with ethnic Albanians.

In order to make political progress in Kosovo, the United Nations Mission in Kosovo (UNMIK) held elections in Kosovo for the 120-member provincial assembly on 17 November 2001. After much dithering and under threat from the European Union that aid to FRY would be stopped if elections were boycotted and belief that not much could be gained by boycotting the elections, the Yugoslav authorities asked the Kosovar Serbs to participate in the elections. Mr. Ibrahim Rugova's Kosovo Democratic Alliance (LDK) emerged ahead of others polling 46.29 per cent of the votes and winning 47 seats. On 13 December 2001 voting for electing the President took place. Mr. Rugova, who was the only candidate, received 49 valid votes and thus failed to cross the required threshold of 80. The election of President may take some time till the rival parties sort out their differences and arrive at some compromise.

In its November 2001 assessment of candidates for European Union membership, the European Union's executive arm cited progress in all 12 aspirant countries but said that Bulgaria and Romania still lack functioning market economies. The Commission said it expected to conclude negotiations with the leading candidates by the end of next year. These countries may become members in 2004.

Russian Federation

Prime Minister Shri Atal Bihari Vajpayee (PM) paid a highly successful State Visit to the Russian Federation from 4-7 November 2001. During this visit, PM had a 75-minute tête-à-tête with President Putin followed by delegation level talks. PM also

had separate meetings with Speaker of the State Duma of the Russian Federation Mr. Gennady Seleznyev, Minister of Foreign Affairs of the Russian Federation Igor Ivanov and Minister of Defence of the Russian Federation Sergei Ivanov. During the meetings of the PM, discussions took place on bilateral matters, and on regional and international issues of mutual interest. The talks were held in a frank and friendly atmosphere in the true spirit of the strategic partnership existing between India and the Russian Federation. During this visit, PM was conferred an Honorary Doctorate by the Moscow State University. PM also visited St. Petersburg where he met Governor of the St. Petersburg Regional Administration Vladimir Yakovlev. At St. Petersburg, PM also inaugurated an exhibition of Indian paintings at the Russian Museum. Several bilateral documents were signed / issued during the visit strengthening cooperation in various fields. These included a Joint Statement covering all important aspects and another specifically dealing with strategic issues; Moscow Declaration on International Terrorism; Memorandum on Implementation of the Kudankulam NPP Project; Memorandum of Intentions on Cooperation in the field of Emergency Prevention and Response; Protocols of Cooperation between the State of Gujarat and the Astrakhan Region of the Russian Federation, as also between the Cities of Hyderabad and Kazan; MoU on the establishment of Indo-Russian Centre for Bio-technology in India; Memoranda of Understanding for the continuance of the Mahatma Gandhi Chair of Indian Philosophy at Moscow as well as creating three more chairs of India studies in the Russian cities of St. Petersburg, Vladivostok and Kazan; cooperation agreement between the Moscow State Institute of International Relations (MGIMO) and the Indian Council of World Affairs (ICWA); Dollar Line of Credit Agreement between EXIM Bank of India and Vnesheconombank of Russia; Protocol of Intentions between State Bank of India and Central Bank of Russia on the Opening of a Subsidiary Bank, "Commercial Bank of India LLC (Limited Liability Company)" in Moscow; and, MoU between Confederation of Indian Industry (CII) and Russian Union of Industrialists and Entrepreneurs (Employers) (RUIE).

Minister of State for Science and Technology, Shri Bachi Singh Rawat visited the Russian Federation from 13-21 May 2001. During the visit an MoU on Scientific cooperation was signed by Shri Rawat and Mr. T V A Tolokonksy, Governor of Novosibirsk region. The Region is known for its world class defence, space and dual

purpose technologies. The MoU aims to promote cooperation in the sphere of management and planning by means of exchange of information and experience of work, joint scientific research and industrial use of the research in social and educational spheres.

Prime Minister addressed a letter to President Putin thanking him for Russian support in India's first developmental launch of the GSLV which took place on 18 April 2001. The GSLV used a Cryogenic Stage developed with Russia as its third stage.

Foreign Minister of the Russian Federation, Mr. Igor Ivanov paid an official visit to India from 3-5 May 2001. This was the first visit to India by a Russian Foreign Minister in five years. During this visit, Mr. Ivanov had detailed discussions with the Minister of External Affairs on the entire gamut of Indo-Russian bilateral relations, and regional and international issues of mutual interest. During his meeting with the Prime Minister, Mr. Ivanov handed over a letter addressed by the President of the Russian Federation to the Prime Minister. Mr. Ivanov also had separate meeting with the Finance Minister and co-Chairman from the Indian side of the IRIGC (Indo-Russian Inter-Governmental Commission for Trade, Economic, Scientific, Technological and Cultural Cooperation) Shri Yashwant Sinha.

Russian Foreign Ministry issued statements on 24 & 28 May 2001 wherein it observed that Indian initiative for dialogue with Pakistan was the new major foreign policy initiative of India.

The Indo-Russian Working Group on Afghanistan held its second meeting in Moscow on 25 & 26 June 2001 and the third meeting in New Delhi on 18 & 19 October 2001. The Foreign Secretary led the Indian side during the talks and First Deputy Minister of Foreign Affairs of the Russian Federation, Mr. Vyacheslav I Trubnikov, led the Russian side. The fourth meeting is scheduled to be held in Moscow from 14-16 February 2002.

Raksha Mantri and Minister of External Affairs (RM/EAM) Shri Jaswant Singh visited the Russian Federation from 4-6 June 2001. During this visit the first session of the Indo-Russian Inter Governmental Commission on Military-Technical Cooperation (IRIGC-MTC) was held. The IRIGC-MTC was co-Chaired by RM/EAM on the Indian side and by the Deputy Prime Minister of the Russian Federation, Mr. Ilya

Klebanov, on the Russian side. RM/EAM also had meetings with Russian President Mr. Vladimir Putin, Prime Minister Mr. Mikhail Kasyanov, Foreign Minister Mr. Igor Ivanov, Defence Minister Mr. Sergei Ivanov and Secretary of the Russian Security Council Mr. Vladimir Rushailo.

The first round of confidential consultations on Strategic Stability was held between India and the Russian Federation in Moscow on 20 June 2001. The Indian side was led by Additional Secretary (UN), Ministry of External Affairs and the Russian side was led by Deputy Foreign Minister of the Russian Federation, Mr. Georgy Mamedov. The Second round of talks are expected to be held in New Delhi in February 2002.

Minister of Communications, Information Technology and Parliamentary Affairs, Shri Pramod Mahajan, visited the Russian Federation on 11 & 12 September 2001 at the invitation of Minister for Communication and Informatisation of the Russian Federation, Mr. Leonid Reiman. The visit was earlier scheduled to take place from 11-15 September 2001, but due to the air strikes on 11 September 2001 in the United States, Shri Mahajan had to return on 12 September 2001.

Principal Secretary to the Prime Minister and National Security Adviser, Shri Brajesh Mishra visited the Russian Federation from 16-18 September 2001 at the invitation of Secretary of the Security Council of the Russian Federation, Mr. Vladimir Rushailo. The visit was in line with the Protocol of Cooperation signed in April 2000 between the National Security Council of India and the Security Council of the Russian Federation.

Prime Minister had a hotline conversation with President Putin on 8 October 2001 after the commencement of air strikes on Afghanistan. During these talks, the two leaders discussed about the situation in Afghanistan and in the region. Minister of External Affairs also had a telephonic conversation with the Minister of Foreign Affairs of the Russian Federation Mr. Igor Ivanov on 8 & 16 October 2001.

Deputy Prime Minister of the Russian Federation and the co-Chairman of the IRIGC, Mr. Ilya Klebanov paid an official visit to India from 14-16 October 2001. During this visit, the Inter Session Review Meeting of the IRIGC was held on 15 October 2001. Finance Minister, Shri Yashwant Sinha co-chaired the meeting from the Indian

side. (The 8th Session of the IRIGC meeting is scheduled to be held in New Delhi on 7 February 2002).

Minister for Human Resource Development, Science & Technology and Ocean Development, Shri Murli Manohar Joshi, visited the Russian Federation from 17-21 October 2001. He visited Moscow and St. Petersburg. During this visit, a diploma for Honorary Membership of Russian Academy of Natural Sciences was conferred upon him.

A high-level five-member delegation from the Russian Ministry of Justice, led by the Deputy Minister of Justice, Mr. Dennim, visited India from 5-9 November 2001. The Russian Delegation evinced keen interest in getting training in legislative drafting from India.

A six-member delegation led by Deputy Secretary of the Security Council of the Russian Federation, Mr. Oleg Chernov visited India from 12-16 January 2002 and held Working Group level meeting with the National Security Council Secretariat of India.

The Minister of Foreign Affairs of the Russian Federation, Mr. Igor Ivanov, paid an official visit to India on 3 & 4 February 2002. He held discussions with Minister of External Affairs, Shri Jaswant Singh on a wide range of bilateral, regional and international issues. A Joint Statement was issued on 3 February 2002 which, inter alia, noted the statement made by Pakistani President, Gen. Pervez Musharraf, on 12 January 2002, and Pakistan's recently declared commitment against terrorism. However, the Statement further noted, this commitment can only be judged by the concrete action Pakistan takes on the ground. In this context, the two sides emphasized the need for Pakistan to cooperate in stopping infiltration of terrorists into India, across the international boundary and the Line of Control, and ending the continued terrorist violence in the Indian state of Jammu & Kashmir, as also in other parts of India.

Armenia

The Second round of Foreign Office Consultations and the Second meeting of the Indo-Armenian Inter-Governmental Commission on Trade, Economic, Scientific and Technological, Cultural and Educational Cooperation were held in Yerevan from

25-27 July 2001. Two agreements were signed during these meetings; one on Cooperation in the Fields of Standardisation, Certification and Accreditation; and, the other formally setting up the Inter-Governmental Commission.

The Foreign Minister of Armenia, Mr. Vartan Oskanian expressed Armenia's support for India's candidature for permanent membership of the UN Security Council in his address to the UN General Assembly on 14 November 2001. Earlier, Armenia's representative had expressed Armenia's support in his statement at the UN General Assembly Open Ended Working Group meeting on 31 October 2001.

Belarus

Shri Omar Abdullah, Minister of State for External Affairs, visited Belarus from 15-17 November 2001 at the invitation of Minister of Foreign Affairs of Belarus Mr. Mikhail Khvostov. Cultural Exchange Program (CEP) for the period 2001-2004 was signed during the visit. A Belarusian Parliamentary delegation led by Mr. Vadim Popov is expected to visit India.

Bulgaria

A bilateral Program for Cooperation with Bulgaria, in the fields of Science, Education and Culture for the period 2001-2003 was signed in New Delhi on 14 September 2001.

Croatia

Mr. Tonino Picula, Minister of External Affairs of Croatia visited India from 2-5 May 2001. Two bilateral agreements were signed, one on Combating International Illicit Trafficking in Narcotic Drugs, International Terrorism and Organised Crime; and, the second on Bilateral Investment Promotion Agreement (BIPA). CEP with Croatia for the period 2001-2003 was signed on 25 July 2001. Foreign Office Consultations with Croatia were held on 19 November 2001. Croatian Minister of Economy & Industry Mr. Goranko Fizulic is expected to visit New Delhi for the Joint Committee Meeting.

Czech Republic

On 24 May 2001, Notes Verbales were exchanged in New Delhi between India

and the Czech Republic formally revalidating six agreements and terminating three other agreements. (The question of continuation of bilateral agreements between Czechoslovakia and India became relevant in the context of Czechoslovakia splitting into two independent successor states i.e., Czech Republic and Slovak Republic in 1992. At the time of independence, the Czech Parliament declared to fulfil all bilateral and multilateral Agreements signed with the former Czechoslovakia and saw these documents with equal validity for the Czech Republic also. The subject of the continued validity of the Agreement was discussed with Czech officials. Both sides felt that some Agreements should continue to remain in force while others need to be terminated or replaced with new Agreements). The six agreements which have been validated with the exchange of notes verbales on 24 May 2001 include: Treaty between the United Kingdom of Great Britain and Ireland and the Czechoslovak Republic concerning Mutual Extradition of Fugitive Criminals. (London, 11 November 1924) and Protocol to this Treaty (4 June 1926) extended for the territory of India on 11 July 1927; Agreement on Cooperation in the Field of Exploitation of Atomic Energy for Peaceful Purposes. (New Delhi, 9 November 1966); Agreement on Scientific, Technical and Industrial Cooperation (Prague, 30 May 1973); Third Agreement on Economic Cooperation. (New Delhi, 5 December 1973); Consular Convention. (New Delhi, 4 December 1974); Agreement on Cooperation in Shipping. (New Delhi, 3 November 1978); and, Treaty between the United Kingdom of Great Britain and Ireland and the Czechoslovak Republic concerning Mutual Extradition of Fugitive Criminals. (London, 11 November 1924) and Protocol to this Treaty (4 June 1926) extended for the territory of India on 11 July 1927. Minister of State for External Affairs Shri Omar Abdullah is expected to visit Czech Republic on 19 & 20 February 2002.

Estonia

The first round of India-Estonia Foreign Office Consultations was held on 13 & 14 September 2001 in Tallinn.

Hungary

Foreign Office Consultations were held between India and Hungary on 23 April 2001 in New Delhi. A four-member delegation from the Foreign Affairs Committee of

the Hungarian National Assembly led by its Chairman Mr. Istvan Szent-Ivanyi visited India from 25-30 April 2001. Minister of State for External Affairs Shri Omar Abdullah is expected to visit Budapest on 25 February 2002.

Latvia

The first round of Foreign Office Consultation between India and **Latvia** was held on 27 & 28 June 2001. A bilateral agreement with Latvia was signed on 27 June 2001 setting up the Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation.

Poland

Minister of State for External Affairs Shri Omar Abdullah is expected to visit Poland on 21 & 22 February 2002.

Romania

A Romanian Parliamentary delegation led by Mr. Gheorghiu Prisacaru, Chairman of the Committee of Foreign Affairs of the Senate of the Republic of Romania, visited India from 26-30 November 2001.

During the visit the delegation, inter alia, called on Vice President Shri Krishan Kant and Prime Minister Shri A B Vajpayee. A Romanian delegation consisting of Director General, Mr. Gheorghe Savuica, in the Romanian Ministry of Foreign Affairs and Director, Mr. Valer Potra visited India from 23-25 January 2002 for Foreign Office consultations (FOC). During the FOC, which were held on 23 January 2002, the Indian side was led by Secretary (PCD) Shri J C Sharma.

Slovak Republic

Mr. Peter Brno, Deputy Minister of Economy of the Slovak Republic, visited India from 28-30 November 2001. The fourth session of the Indo-Slovak Joint Committee for Economic and Commercial cooperation was held in New Delhi on 29 November 2001 for which the Slovak delegation was led by Mr. Brno and the Indian delegation by Shri Nripendra Mishra, Special Secretary, Department of Commerce, Ministry of Commerce & Industry. Coinciding with the visit of Mr. Brno and in his presence, the second meeting of the Indo-Slovak Joint Business Council (JBC) was held on 28 November 2001.

Ukraine

Minister of State for External Affairs (MOS(EA)), Shri Omar Abdullah visited Ukraine from 30 November – 3 December 2001. He called on Ukrainian President Leonid Kuchma and Prime Minister Anatoliy Kinakh. MOS (EA) held delegation level talks with representatives of different Ukrainian Ministries headed by State Secretary of the Ministry of Foreign Affairs Sergeyev. The Agreement on promotion and Protection of Investments was signed during the visit. The second session of the Indo-Ukrainian Inter-Governmental Commission for Trade, Economic, Scientific, Technological, Industrial and Cultural Cooperation (IUIGC) was held in New Delhi on 22 January 2002. It was co-chaired by Secretary (PCD), Shri J.C. Sharma and State Secretary in the Ministry of Industrial Policy of Ukraine, Mr. Victor Padalko. The first session of the Indo-Ukrainian Joint Business Council was held on 21 January 2002 which was organised by FICCI (Federation of Indian Chambers of Commerce and Industry).

West Europe

The year 2001 marked the consolidation of our relations with the European Union and individual countries in Western Europe. A series of high level visits and important events emphasized the solid foundation and greater dynamism of our bilateral ties. The steady increase of political exchanges demonstrated India's desire to build a wider range of linkages with its major European partners and a corresponding desire on their side to engage India both bilaterally and multilaterally.

The terrorist attacks of 11 September were a defining moment as they fundamentally changed the traditional concept of power and brought International Terrorism to the centre stage as never before. Having been a victim of terrorism for the last two decades, India extended its support to the international coalition against terrorism and in doing so engaged in extensive discussions with the countries in the region. EAM visited France (28 September) and held discussions with French Foreign Minister Mr. Hubert Vedrine in the wake of terrorist attacks. Principal Secretary to Prime Minister visited France (27 September) for discussions with his counterpart, Mr. Gerard Errera. EAM visited UK (3 & 4 October) where he held discussions with Prime Minister Tony Blair, Defence Secretary Geoffrey Hoon and

Secretary of State for Foreign and Commonwealth Affairs, Jack Straw. During his discussions in UK, which followed a few days after the attack on the J&K State Assembly, the UK leadership conveyed outrage at these attacks. EAM held meetings in Berlin with his counterpart, Mr. Joschka Fischer and the German Chancellor Mr. Gerhard Schroeder.

The political dialogue was carried forward at the highest level during the visit of Chancellor Schroeder to India (28-31 October 2001) and the visits of UK Prime Minister Mr. Tony Blair (6 October 2001 & 4-7 January 2002). The visits of Chancellor Schroeder in October 2001 and PM Tony Blair in January 2002 were State Visits in response to long-standing invitations from the Indian side but assumed an added significance in the context of the post-11 September developments. These high level exchanges contributed significantly in deepening and strengthening of India's strategic partnership with two of its major European partners.

The India-EU Summit held in New Delhi on 23 November 2001 was yet another milestone in our relationship with the European Union. EU holds summits only with its major partners, i.e., USA, Canada, Russia, China and Japan. The institutionalization of summit level interaction and the realization of the need for India and EU to build of coalition of interests to meet the challenges of the 21st Century is a significant development. Since the First Summit in Lisbon in June 2000, India's dialogue and cooperation with the EU has expanded and diversified in many areas. The discussions held between Prime Minister Vajpayee and European Commission President Mr. Romano Prodi and the Belgian Prime Minister Guy Verhofstadt and the Joint Communique issued during the Summit further cemented the strategic partnership between India and the EU. The Declaration on International Terrorism adopted at the Summit is an important document signifying the convergence of views between India and the European Union in the global fight against this scourge of the 21st Century.

The regular meetings of the Joint Working Groups on International Terrorism with our major European partners, UK & France and the European Union underscored the importance of bilateral exchange on this issue, which was at the top of the agenda during the year. In recognition of the role played by India in international

efforts to combat terrorism, India was invited to be a member of the Ad hoc Committee of the Commonwealth on Terrorism. Following the 11 September terrorist attacks, a growing number of Western European countries emphasized the importance of reaching an agreement and finalizing India's draft Comprehensive Convention on International Terrorism (CCIT) which is being discussed in the United Nations.

The visit of the Norwegian Prime Minister, Mr. Jens Stoltenberg to India marked the growing engagement with the Nordic countries. The visit was significant as the Norwegian Prime Minister publicly supported India's candidature for permanent membership of an expanded Security Council. With Iceland already having expressed its support last year, the prospects of a Nordic consensus emerging on this issue were enhanced.

In an important step forward on India's candidature for UNSC, France publicly declared in the UN that it believes that Germany, Japan and India are destined to occupy a permanent seat in the Security Council. Similarly Ireland stated that on any objective criteria "India possesses the attributes for permanent membership". Acknowledgement by the UK (another P-5 country) in the New Delhi Declaration, signed on 6 January 2002 during PM Blair's visit that it viewed India as a natural contender for the permanent seat in an expanded Security Council and would work towards this end was another positive development.

Political relationship with the major European countries was strengthened by an intensified civil society dialogue. The round tables with UK and the European Union, the Consultative Group with the Germans and the Indo-French Forum made valuable contribution to the growing political relationship.

France

India's warm and friendly relations with France were enriched by regular dialogue both at the Ministerial and official levels especially in the wake of the 11 September terrorist attacks. Minister of External Affairs (then also Defence Minister) Mr. Jaswant Singh paid an official visit to France on 28 September at French Foreign Minister's invitation. EAM met President Chirac, held discussions in a meeting-cum-

working lunch with Foreign Minister Hubert Vedrine and also met Defence Minister Alain Richard. Principal Secretary and National Security Adviser also visited France on 27 September on his way back from the US to hold discussions with the Personal Representative of the French President, Gerard Errera. He also met the Chairman of the Foreign Affairs Committee of the French Senate and Diplomatic Adviser to the French President. Subsequently, French Foreign Minister Vedrine visited India on November 1. President Chirac sent Mr. Douste Blazy, Mayor of Toulouse as his special envoy to India on 20 & 21 December 2001.

At the official level, Foreign Secretary Mrs. Chokila Iyer and Mr. Loic Hennekinne, Secretary General, Ministry of Foreign Affairs, led the respective delegations during the Foreign Office Consultations (2 April, New Delhi), as a part of the institutionalized dialogue on bilateral, regional and global issues of common concern. The Seventh Round of the Strategic Dialogue was held on 31 July to 1 August 2001 in New Delhi. The Indian delegation was led by Principal Secretary to the Prime Minister and National Security Advisor, Mr. Brajesh Mishra while the French delegation was led by Mr. Gerard Errera, Personal Representative of the French President.

The first meeting of the Indo-French Joint Working Group on International Terrorism was held in Paris on 7 September 2001, ironically a few days before the 11 September attacks on the World Trade Centre. The discussions showed a convergence of views on the current trends in International Terrorism and provided an opportunity to sensitise the French on India's specific concerns in its fight against terrorism over the last two decades. Both sides agreed on the need for early conclusion of negotiations on India's draft proposal on Comprehensive Convention on International Terrorism. France issued strong condemnation of the terrorist attacks on the J&K Assembly and the Indian Parliament in New Delhi on 13 December 2001 in statements and letters communicated at the bilateral level.

The year also saw reaffirmation of support by France for India's candidature for a permanent membership of the UN Security Council. Expression of support at the bilateral levels translated into public support when at the UN, French Permanent Representative to the UN unequivocally declared in a statement on 31 October that France believes that Germany, Japan and India are destined to occupy a permanent seat in the Security Council.

Economic and commercial relations were marked by a number of high level visits including that of Minister of Power Mr. Suresh P. Prabhu during 14-18 May 2001 to attend the Ministerial Meeting of the International Energy Agency and the visit by Minister for Information and Broadcasting Mrs. Sushma Swaraj during 13-17 May to attend the 54th Cannes International Film Festival. The latter also met French Minister of Culture and Communication Mrs. Catherine Tasca. A significant outcome was the agreement between the two sides to set up a Joint Working Group on Films within the framework of the Indo-French Forum with a mandate to consider all issues relating to bilateral cooperation in films, including co-productions.

Minister for Rural Development Mr. Venkaiah Naidu visited France during 18-22 July at the invitation of the European Agricultural Commission. From the French side, French Minister for Agriculture and Fisheries Mr. Jean Glavany visited India during 14-17 September 2001. It was agreed during this visit to institutionalise cooperation in this area through a Memorandum of Understanding (MoU).

French Minister for Foreign Trade, Mr. Francois Huwart visited India in December 2001, for the 11th session of the Indo-French Joint Committee on Economic and Technical Cooperation. He was accompanied by a large trade delegation from MEDEF, the apex French Industry Association.

To continue parliamentary exchanges, a seven member French Parliamentary delegation led by Mr. Andre Lajoinie, Chairman of National Assembly Committee on Production and Trade visited India (11-14 September).

A comprehensive review of ongoing defence cooperation was undertaken by Defence Secretary and Mr. Jean Bernard Ouvrieu, Special Representative of the French Defence Minister during the Fourth meeting of the Indo-French Joint High Committee on Defence held from 25-29 June in New Delhi. Joint Working Groups on Energy, Telecommunications and Information Technology met during this period and reviewed the mutually beneficial interaction in these crucial areas.

Civil society dialogue continued apace with the bilateral relationship through the Indo-French Forum, which held its seventh meeting in Paris (18 & 19 October). The Forum, co-chaired by Shri Ram Krishna Hegde and Francois Poncelet, agreed that a Seminar on Secularism and Tolerance would be organized at the time of the

next Plenary Session in Bangalore in November 2002. It noted with satisfaction, the progress achieved in other areas such as establishment of an Indo-French Advanced Research Laboratory in Laser Physics at Bangalore, projects in water management, environment and mini hydel power sector etc. A seminar on India and France in the 21st Century was organised in Paris on 20 October to coincide with the Forum meeting and a leading French publication *La Revue des Deux Mondes* brought out a special commemorative issue on India. Based on the recommendations of the Indo-French Forum, the main highlight in the cultural field was the holding of the first ever Picasso Exhibition in New Delhi organised within the framework of the Indo-French Cultural Exchange Programme. The exhibition, inaugurated on 14 December 2001 at the National Museum in New Delhi, comprised of 122 masterpieces of Picasso and is scheduled to move on to Mumbai after 31 January 2002 where it would be exhibited at the National Gallery of Modern Art till 30 March 2002. A Colloquium on 'India and France in 21st Century' was held at the same time. The Forum's recommendations have been submitted to Heads of Government of both countries.

United Kingdom

The year 2001 witnessed a further consolidation of our close and friendly relations with the United Kingdom. The Labour Party's historic win for a second term in the general election held on 7 June 2001 provided an element of continuity in India-UK relations. A succession of high level visits from both sides imparted greater depth to the bilateral relationship and led to the characterisation of the current phase of India-UK ties as being "the best ever".

In the wake of the September 11 terrorist attacks, India and the UK became active members of the international coalition against terrorism and remained in close consultation. EAM visited UK on 3 & 4 October 2001. Prime Minister Blair's visit to India on 6 October and Prime Minister Vajpayee's visit to the UK on 12 & 13 November enabled both sides to share views at the highest level on the evolving situation in Afghanistan.

The sustained political dialogue with the UK reflected a greater sensitivity on the part of UK to Indian concerns on cross border terrorism in J & K. Even prior to the 11 September terrorist attacks, India and the UK had been cooperating closely

to counter international terrorism, particularly through the mechanism of the India-UK Joint Working Group on International Terrorism and Drug Trafficking, which held its first meeting in Delhi in January 2001 and second meeting at the operational level on 19 December 2001. The proscription of six major international terrorist organisations operating in India viz., Harkat-ul-Mujahideen, Lashkar-e-Toiba, Jaish-e-Mohamed, Babbar Khalsa, ISYF and LTTE was effected under the UK's Terrorism Act 2000. It was followed by a further strengthening of legislative safeguards against financing of terrorism in the wake of the 11 September terrorist attacks.

Both Prime Minister Blair and Foreign Secretary Jack Straw issued forthright condemnations of the 1 October attack on the J & K Legislative Assembly Building and the 13 December terrorist attack on the Indian Parliament. Foreign Secretary Straw said that attack on the Indian Parliament on 13 December "has to be seen as an attack on democracy worldwide" and urged Pakistan to take much more effective action against Kashmiri terrorist groups.

UK Deputy Prime Minister Mr. John Prescott was in India from 3-5 July 2001 to discuss with senior Indian Ministers matters related to global climate change and the Rio+10 process in the context of the 6th Conference of Parties to the United Nations Framework Convention on Climate Change held later that month in Bonn. The military action in Afghanistan, measures to combat international terrorism and bilateral defence cooperation were discussed by our Defence and Home Ministers with Secretary of State for Defence, Mr. Geoffrey Hoon who visited India on 13 & 14 November 2001.

India and Britain held the third round of their bilateral talks on nuclear non-proliferation and disarmament in London on 4 September. The dialogue helped to enhance mutual understanding of the problems of proliferation and weapons of mass destruction.

UN Peacekeeping emerged as another area in which the UK has sought India's close involvement. An India-UK Peace Keeping Seminar was held in Shrivenham in UK in March 2001 and a follow-up seminar is planned for February 2002.

The India-UK Round Table met regularly and has provided valuable inputs to further strengthen the bilateral relationship particularly in the areas of commerce,

education and information technology. The Round Table co-chaired by Deputy Chairman of the Planning Commission Shri K.C. Pant from the Indian side and Lord Swaraj Paul, Member of Parliament and prominent industrialist from UK side held its third meeting in Sariska in April, 2001. The recommendations of the Round Table on Trade and Investment, Educational Exchanges, IT and e-commerce and other issues have been forwarded to the Heads of State of the respective governments.

Considerable progress has been made in the launch of a Professorship for Indian History and Culture in the University of Oxford, expected to materialize early next year.

Alongwith the deepening of the political relationship, the economic partnership between India and the UK witnessed positive trends. UK emerged as India's second largest trading partner after the USA, and the largest in Europe. In 2000, India-UK trade in goods and services was £4.86 billion. Trade in goods reached the highest ever figure of £3.76 billion, registering a growth of over 28 per cent. Trade in services, which includes, inter alia, India's software exports to the UK and UK's financial services exports to India, was £1.1 billion in 2000.

Specific promotional events were organised by the High Commission of India on information Technology and on India's natural stone wealth; an IT seminar in Edinburgh in September 2001, a road show on Petrochemicals in September 2001 and a Biotechnology Seminar in London in October 2001 and a seminar on Ayurvedic System of medicine in March 2001. Besides these Mission specific initiatives, exchanges between economic Ministries and trade associations furthered cooperation in areas such as agricultural products/food processing, chemicals, petroleum, power and other sectors in collaboration with UK industry. There has been a steady increase in Indian business presence in the UK. In 2001, over 125 Indian companies have established their presence in the UK, out of which over 75 are in the IT sector.

The 1.5 million strong community of Indian origin in the UK remained a tangible asset to both countries. In the general election held on 7 June 2001 the total number of MPs of Indian origin increased to 5.

Germany

2001 marked the 50th Anniversary of the establishment of diplomatic relations between India and Germany. The highlight of the relations with Germany was the visit of German Chancellor Mr. Gerhard Schroeder to India from 28-31 October 2001. The sheer size of the delegation was an indication of the importance Germany attached to this first visit of the Head of Government since 1993. Chancellor Gerhard Schroeder was accompanied by the Economic Minister, Mr. Werner Muller, Interior Minister, Mr. Otto Schily and Minister of State in the Foreign Office, Dr. Ludger Volmer. Five Members of German Parliament were part of the delegation which also included a large media contingent and CEOs from leading German companies operating worldwide, underlying the special significance accorded to bilateral economic and commercial relations.

Chancellor Schroeder called on the President and Vice President and held talks with the Prime Minister. The German Minister of the Interior and Economics and Technology held talks with Home Minister Shri L. K. Advani and Minister of Commerce and Industry, Shri Murasoli Maran. Apart from bilateral relations, discussions focused on the developments following the 11 September terrorist attacks and the situation in Afghanistan.

The Chancellor visited Bangalore where his programme included interaction with businessmen, young entrepreneurs and the youth who would shoulder the responsibility for the development of knowledge based industries in India. He addressed a distinguished gathering at the inauguration of the Indo-German Economic Forum entitled Indo-German Economic Relations – looking ahead, organized jointly by FICCI and CII. The Chancellor was the Chief Guest at the 45th Anniversary Celebrations of the Indo-German Chambers of Commerce. In his remarks, the Chancellor emphasized that the purpose of his visit was not only to foster the well established economic relations between the two countries but to expand them to the two partners' mutual advantage so as to create a "win win situation". In New Delhi, he participated in a panel discussion on India and Germany – Partners in Science and Education. Four financing agreements were signed to further bilateral cooperation in the areas of solar energy, fertilizers, polio eradication and extension of drinking water facilities.

In enhancing the high level dialogue, German Chancellor proposed annual meetings at Heads of Government level. Prime Minister accepted the Chancellor's invitation to visit Berlin next year.

The Chancellor's visit in October 2001 assumed greater significance in the wake of the terrorist attacks in USA. It provided a further opportunity to carry forward the discussions held by EAM in Berlin on 4 & 5 December 2001 when he had met the Chancellor, the German Foreign Minister Mr. Joschka Fischer and German Defence Minister, Mr. Rudolf Scharping. German Foreign Minister condemned the 1 October terrorist attacks on the J&K State Legislative Assembly in a statement following EAM's visit.

There were many ministerial visits from India to Germany. Shri Murasoli Maran, Minister of Commerce and Industry visited Germany from 27-31 May. In addition to discussions with Minister for Economics and Technology, Dr. Werner Mueller in Berlin, the Minister addressed an Annual Meeting of the Indo-German Chamber of Commerce in Bonn and also met leading German businessmen. Minister of Home Affairs, Shri Lal Krishna Advani, visited Germany from 24-27 June. He held meetings with Interior Minister Mr. Otto Schily, and Justice Minister Dr. Herta Daeubler-Gmelin. The two countries concluded an Extradition Treaty on 27 June.

Institutional interaction on various themes continued. The third round of the bilateral Strategic Dialogue at the Foreign Secretary level was held in New Delhi on 12 October. Both sides discussed strategic and political themes of common interest, including the threat posed by international terrorism. The Indo-German Consultative Group held its annual meeting in Jaipur from 2-4 November under the Chairmanship of Dr. I.P. Singh and Dr. Theo Sommer and recommended steps to further bolster trade and economic ties, cooperation on international terrorism, education, science and technology and culture. The Joint Committee on Science and Technology held its fourth annual meeting in Thiruvananthapuram on 27 & 28 November. A third round of bilateral Ministerial Consultations between the Finance Ministries of both countries was held in Berlin in June 2001. New structures for cooperation were set up, such as the first round of Military Staff Talks which were held in New Delhi from 27-28 November.

Italy

During the year, India's relations with Italy were further strengthened through newer initiatives for cooperation in bilateral and multilateral fields. At Italy's initiative, which chaired the G-8 from January 2001, India was invited for consultations with the G-8 for the first time. Secretary (West) led the Indian delegation for these discussions (25 June) which showed a considerable conveyance of views between the G-8 and India on issues such as international terrorism and situation in Afghanistan.

During the first meeting of the Indo-Italian Joint Working Group on Information Technology (Florence, 26 April), a Memorandum of Understanding (MoU) on Information Technology was signed to expand cooperation in the IT field through newer approaches including greater interaction and exchange of IT personnel, training programmes and IT applications in various fields. The first meeting of the Indo-Italian Joint Working Group on Tourism was held in New Delhi on 5 November 2001 between the senior officials of the two countries.

Italian Chief of Defence Staff (CDS), General Rolando Mosca Moschini paid an official visit to India from 12-15 November 2001 at the invitation of Chairman, Chiefs of Staff Committee.

Switzerland

India and Switzerland maintained their close and friendly relationship with bilateral trade registering a steady growth. In the IT sector ongoing interaction is expected to be consolidated further with Switzerland granting an additional 11,000 work permits this year for highly qualified foreigners to reduce shortage of skilled labour in IT and other sectors. In May 2001, the Indian Ambassador and Vice-Director of the Swiss Federal Office for Civil Aviation signed an Agreement for Cooperation in Air Services in Berne. Development cooperation proceeded apace with Switzerland announcing development assistance of nearly Rs. 2.63 crores for the year 2001. Switzerland also played an active role in rescue and rehabilitation efforts after the earthquake in Gujarat in January 2001.

Ireland

During this period, India's relations with Ireland were warm and friendly with a focus on strengthening our commercial interaction especially in the area of information technology. Bilateral trade recorded a steady growth, amounting to nearly US\$200 million per annum. In an important step forward on India's UNSC membership, Ireland stated at the UN General Assembly that "on any objective grounds" India "possesses the necessary attributes for permanent membership". In the aftermath of the terrorist attacks in USA, Ireland expressed support for India's draft Comprehensive Convention on International Terrorism, underlining that there was a need to 'go further' beyond various existing international conventions on terrorism. The remarks have added significance in view of Ireland being a non-permanent UNSC member since 1 October 2001. Ireland announced aid amounting to nearly US\$1.2 million towards earthquake relief operations in Gujarat and US\$287,000 as emergency assistance for flood relief in Orissa.

Netherlands

Bilateral relations with Netherlands were further strengthened with the visits of Minister of Law, Justice and Company Affairs and Shipping, Shri Arun Jaitley (July 2001), Minister of Rural Development, Shri M. Venkaiah Naidu to the Netherlands (July 2001) and of Minister of Foreign Affairs of the Kingdom of the Netherlands to India, Mr. Jozias van Aartsen, (29 November 2001).

Economic relations continued to flourish with the Netherlands as India's sixth largest trading partner in Europe, Bilateral trade stands at over US \$ 1.3 billion and is in India's favour. The Netherlands Government extended assistance amounting to 10.5 million Dutch Guilders (approx. Rs. 20 cr.) for Gujarat Earthquake relief operations.

Norway

India's ties with Norway acquired a new momentum with the visit of Norwegian Prime Minister Mr. Jens Stoltenberg to India from 19-23 April accompanied by a high level official delegation and a fifty-member business delegation. Mr. Stoltenberg called

on the President and the Vice President and had a meeting with the Prime Minister. The highlight of this visit was the expression of unequivocal and unambiguous Norwegian support for India's candidature for a permanent seat in the UN Security Council. An agreement was reached to set up a Joint Commission to cover cooperation in the fields of energy, information technology, space, maritime (development of ports), environment and biotechnology. A contract was signed between Jammu and Kashmir Power Development Corporation and Sawalkot Contractors Consortium (consisting of Statkraft Anlegg and GE Energy of Norway) for Swalkot hydroelectric Power Project (US\$1.2 billion for power generation capacity of 600 MW). An Agreement was signed between the Indian Institute of Management, Bangalore and the University of Oslo. India-Norway Power Meeting, a seminar on Peacekeeping, the Norwegian Film Festival and the India-Norway IT Seminar were other events which coincided with the visit.

The second round of Foreign Office Consultations were held in New Delhi on 3 July, led by Secretary (West), Shri. R.S. Kalha and Assistant Secretary General, Norwegian Ministry of Foreign Affairs, Mr. Johan Ludvik Lovald. Norway's State Secretary, Mr. Jan Bohler and Director General, Norwegian Foreign Office, Mr. Arne Walther, visited New Delhi in August. Norwegian Parliamentarian, Mr. Lars Rise, visited India in the first week of April and interacted with Principal Secretary to Prime Minister and Foreign Secretary.

Finland

Finland's Minister for Environment and Development Cooperation, Ms. Satu Hassi, who visited India (28-31 August) called on the Minister for Environment and Forests, Minister for Non- Conventional Energy Sources and Minister for Power.

Greece

The highlight of the bilateral relationship with Greece was the second visit of Foreign Minister of Greece, Mr. George A Papandreou, (2nd November). Mr. Papandreou exchanged views with EAM on the international situation in the aftermath of 11 September terrorist attacks in the USA and the future set up in Afghanistan.

Cyprus

India's ties with Cyprus were characterized by their traditional warmth and closeness. Although Prime Minister's visit to Cyprus could not materialize, he exchanged views with the President of Cyprus on the fringes of the United Nations General Assembly Meeting in New York in November.

Portugal

India's warm and friendly bilateral relations with Portugal were enriched with a visit to Portugal by Minister for Science & Technology, Dr. Murli Manohar Joshi, on 2 & 3 July 2001 at the invitation of his Portuguese counterpart. During the visit, under an Agreement for Cooperation in Science & Technology (signed in December 1998) a Programme of Cooperation in Science & Technology and an MoU for Cooperation in Ocean Science & Technology were signed. Portugal's Secretary General for Foreign Affairs, Ambassador Joao Salgueiro, visited India in April 2001 in connection with the inspection of their Consulate in Goa. He also held discussions on 17 April 2001 with Foreign Secretary and Secretary (West) on bilateral, regional and multilateral issues of mutual interest.

Austria

Minister of Power, Shri Suresh Prabhu visited Austria (May 2001) at the invitation of his Austrian counterpart. During the visit, both sides agreed to establish a Joint Working Group to evolve modalities for intensifying cooperation in hydropower. India and Austria signed an MoU (19 June) under the Air services Agreement of 1989 and MoUs of 1997 and 2000. The MoU allows Austrian Airlines to operate 5 weekly flights with enhanced capacity by end 2001 on Delhi-Vienna sector on code sharing basis with Air India.

Belgium

India's relations with Belgium received a new momentum with Belgium assuming Presidency of the European Union in the second half of 2001 and organizing the Second India EU Summit in New Delhi on 23 November 2001. Shri Omar Abdullah, MOS(EA) visited Brussels on 15-16 October for discussions with Ms. Annemie Neyts-

Uyttebroeck, Belgium's Deputy Foreign Minister. Bilateral Trade for the year 2000 was dominated by trade in diamonds and stood at US \$ 4.87 billion.

Denmark

As a part of the renewed engagement with the Nordic countries post-Pokharan and post-lifting of restrictions on development assistance, EAM Shri Jaswant Singh visited Denmark on 2-3 April 2001. This visit marked the resumption of political level contacts with Denmark after a gap of nearly 3 years. During his call on Prime Minister Rasmussen, EAM extended an invitation to him to visit India. He also renewed invitation for the visit to India of Danish Crown Prince. The visit provided an opportunity for a useful exchange of views on bilateral and international issues of mutual concern.

Sweden

Minister of External Affairs Shri Jaswant Singh visited Sweden on 3 & 4 April 2001 to attend the India-EU Troika Ministerial Meeting during the Swedish presidency of the EU. EU Troika Ministerial delegation was led by Swedish Foreign Minister, Ms. Anna Lindh. Apart from discussions on a number of international issues, EAM met his Swedish counterpart for bilateral consultations and exchanged views with the Speaker of Parliament and Trade Minister.

Spain

Indo-Spanish relations acquired momentum during the period especially in the economic field. Bilateral trade for the year is expected to touch US \$ 1 billion. An Extradition Treaty with Spain was initialed in June 2001. Minister of Commerce and Industry Shri Murasoli Maran, visited Spain from 22-27 May. The Minister had a meeting with Deputy PM and Economy Minister Rodrigo Rato and presided over the presentation of the seminar "Destination India" in Madrid, jointly organized by FICCI and its Spanish counterpart.

European Union (EU)

The highlight of India's relations with the European Union (EU) was the highly successful India-EU Summit held in New Delhi on 23 November 2001. Mr. Romano

Prodi, President of the European Commission and the Belgian Prime Minister, Mr. Guy Verhofstadt in his capacity as President of European Council, led the EU Delegation which included EC's Trade Commissioner Pascal Lamy, Deputy Foreign Minister of Belgium Ms Anmmie Nyets. The Prime Minister was assisted by Commerce and Industry Minister, Shri Murasoli Maran, Science & Technology Minister Shri Murli Manohar Joshi. A Joint Communiqué, Joint Declaration on Terrorism, Joint IT Vision Statement were released and Co-operation Agreement on S&T and Financing Agreement for 'Sarva Siksha Abhiyan', a people's movement for universal elementary education were signed. Both sides expressed keen interest in expanding bilateral trade and investment, to combat international terrorism and to work for a broad-based government in post-Taleban Afghanistan.

In addition to the political summit, given the importance of India-EU economic relations (EU is India's largest trading partner accounting for 26 per cent of our exports & 25 per cent of our imports and a major source of foreign direct investments), a Business Summit, organized jointly by Confederation of Indian Industries (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) was held on 22 November. The Business Summit addressed by Prime Minister Vajpayee and the EU President Mr. Romano Prodi identified bio-technology, pharmaceuticals, IT and telecommunications and engineering as the major thrust areas for the future.

India-EU cooperation on International Terrorism was institutionalised as envisaged in the Lisbon Declaration signed during the First Summit in June 2000 through the establishment of an India-EU Joint Working Group on Terrorism. As a result of the setting up of this Group, India was able to articulate its concerns on International Terrorism at the EU level in addition to exchanging views through a similar mechanism bilaterally with two major P-5 countries in Europe – UK and France. The first meeting chaired at the Joint Secretary level was held in Brussels on 29 May, the second meeting, after the WTC terrorist attacks and the attacks on J&K State Legislative Assembly, showed a greater willingness on the part of EU to understand our concerns in this area. The Declaration on Terrorism adopted during the India-EU Summit further demonstrates the convergence of views between India and EU in this important area.

Regular institutionalised exchanges with the EU included the India-EU Senior Officials' Meeting (1 June) during which both sides exchanged views on regional and multilateral issues of common interest. Joint Secretary (EW) and Head of Asia, Department, Ministry of Foreign Affairs, Sweden, Mr. Borje Ljunggren led the respective delegations. At the Third Indo-EU Troika discussions on Consular Matters (26 September), both sides discussed ways of reducing impediments in consular and visa services.

An active civil society dialogue made a meaningful contribution to strengthening the political and economic relationship with the EU. The Second Meeting of the Round Table held in Brussels on 16-17 July 2001, was co-chaired by Director, India International Centre, Shri N. N. Vohra from the Indian side and by President of the Economic and Social Committee, Mr. Goke Frerichs from EU side. The substantial outcome of the meeting, which made recommendations on exchanges in the areas of media and culture, contribution of civil society to cope with globalisation and other trade and investment issues, reflects the evolving strength of the new India-EU Strategic Partnership.

Minister of State for External Affairs, Shri Omar Abdullah and the EC Commissioner for External Relations, Chris Patten inaugurated the India-EU Think Tank Seminar held in Brussels from 15-16 October 2001. The Seminar brought together eminent personalities from both India and from all major European countries.

From 12-14 September, The Rt. Hon. Donald McKinnon, **Commonwealth** Secretary General (CSG) visited India as a part of consultations with important Commonwealth members prior to the Commonwealth Heads of Government Meeting (CHOGM) which was subsequently postponed. He called on the Prime Minister and exchanged views with the Minister of External Affairs on matters related to the CHOGM, recommendations of the High Level Review Group and the continued suspension of Pakistan and Fiji from the Councils of the Commonwealth. CSG also emphasized the importance of making progress on India's Draft Comprehensive Convention for International Terrorism. Following the terrorist attacks in USA on 11 September 2001, CHOGM was postponed by the CSG, after consulting prominent member countries, including India. CHOGM will now be held from 2-5 March 2002, in Coolum (Australia).

Foreign Secretary led the Indian delegation to the Senior Official level meeting of the High Level Review Group (HLRG) in Singapore on 9 & 10 July 2001 which discussed the draft HLRG report. The Indian team made a significant contribution to the final report, which reflects the consensus within the group on issues related to the Commonwealth's political and economic roles, as also its governance structures. The report will be considered by the Commonwealth Heads of Government at the next CHOGM.

India was invited by the Commonwealth to become a member of the Commonwealth Ad-hoc Committee on Terrorism, in which India will be represented at the Ministerial level at its first meeting on 29 January 2002 in London. Other members are the Commonwealth Secretary General as well as representatives of Heads of Government with Ministerial rank of Australia, Bahamas, Canada, Malaysia, South Africa, Sri Lanka, Tanzania, Tonga and the U.K.



The Americas

USA

In January 2001, Mr. George W. Bush assumed office as President of the United States, which brought in a Republican Administration in Washington D.C. after eight years of a Democratic Administration under President Bill Clinton. Since assuming office, President Bush has repeatedly conveyed his commitment to accelerating the momentum of recent years in India-U.S. relations and completing the process of transforming the relationship.

The level of engagement in the first year of the Bush Administration has been both broad-based and intensive. The two countries further expanded their agenda of bilateral relations, which is increasingly cast in a global context. The wide-ranging bilateral Dialogue Architecture, established during the visit of President Clinton in March 2000, was resumed and expanded. Dialogue on security and strategic issues have developed beyond non-proliferation issues to cover a wide range of international concerns and developments. There was considerable progress in defence cooperation, after a three-year period of limited contacts. The United States lifted the unilateral restrictions that it had imposed in response to India's nuclear tests in May 1998, which has paved the way for fuller development of economic, military and technology relations between the two countries.

Although the terrorist attacks in the United States on 11 September made the U.S. response to it, including the military campaign in Afghanistan, the immediate and overwhelming focus of its foreign and security policy, the two sides maintained the pace of bilateral engagement, both in response to the challenges arising out of

the events of 11 September and to pursue the long-term development of India-U.S. relations. The terrorist attack on the Parliament on 13 December has further strengthened India-U.S. cooperation against terrorism.

Prime Minister Shri Atal Bihari Vajpayee paid an official working visit to Washington D.C. at the invitation of President Bush from 7-9 November 2001. Prime Minister and President Bush reiterated their commitment to complete the process of qualitatively transforming India-U.S. relations in pursuit of their many common goals in Asia and beyond. They announced a number of new initiatives for dialogue and cooperation in the areas of defence, the New Strategic Framework and missile defence, high technology commerce, counter-terrorism, space, nuclear energy, bilateral economic dialogue and Afghanistan.

Shri Jaswant Singh, in his capacity as External Affairs and Raksha Mantri, visited Washington D.C. on 5-7 April 2001 to initiate the high level political engagement with the Bush Administration. Both during this and his subsequent visit to Washington D.C. on 1-2 October 2001, External Affairs and Raksha Mantri met President Bush, besides his counterparts and senior members in the Bush Administration. Home Minister Shri L. K. Advani visited Washington D.C. from 8-12 January 2002 at the invitation of U.S. Attorney General John Ashcroft and also met President Bush and Vice President Richard Cheney. Raksha Mantri Shri George Fernandes visited Washington from 16-20 January 2002 at the invitation of the Defence Secretary Rumsfeld. National Security Adviser and Principal Secretary visited Washington D.C. at the invitation of the U.S. National Security Advisor Condoleezza

Rice from 27-29 June and on 24 & 25 September 2001. On the economic side, Finance Minister Shri Yashwant Sinha, Minister of Commerce and Industry and Minister of Environment and Forests, Shri Murosali Maran, and Shri T. R. Balu have also met their counterparts in the U. S. Administration.

From the United States, Cabinet-level visitors included Secretary of State Gen. Colin Powell on 16 & 17 October 2001 and 17 & 18 January 2002; Deputy Secretary of State Mr. Richard Armitage, as a Special Emissary of President Bush on 11 May 2001 to discuss the New Strategic Framework of President Bush; U.S. Trade Representative Zoellick from 7-10 August 2001, the Defence Secretary Mr. Donald Rumsfeld on 5 November 2001 and Governor Christie Whitman, Administrator of the U.S. Environment Protection Agency from 15-19 January 2002.

Political engagement was accompanied by a broad-based official level dialogue, especially in pursuit of the Dialogue Architecture. Foreign Office Consultations and Asian Security Dialogue between Foreign Secretary and the U.S. Under Secretary of State for Political Affairs was held on 17 May 2001. Two meetings of the Joint Working Group on Counter-terrorism were held - one on 25 & 26 June 2001 in Washington D.C. and the second on 21 & 22 January 2002 in New Delhi. The Joint Working Group on UN Peacekeeping Operations met in Washington D.C. on 28 & 29 June 2001. The Defence Policy Group, led on the Indian side by the Defence Secretary and on the U.S. side by the Under Secretary of Defence for Policy, met on 3 & 4 December 2001, signalling the resumption of normal defence relations between India and the United States, which had been disrupted after India's nuclear tests in May 1998.

International terrorism was an important subject of India-U.S. engagement in this period. India's prompt condemnation of the terrorist attacks in the United States on 11 September and offer of support in bringing its perpetrators to justice was appreciated by the United States and contributed towards generating the momentum for building an international coalition against terrorism.

Specific assistance and cooperation was extended on the basis of requests made by the United States, and included intelligence sharing, assistance in the investigations into the terrorist attacks of 11 September and logistical support for Operation Enduring Freedom in Afghanistan in the form of overflight clearance, refuelling facilities, berthing facilities, medical assistance and search and rescue operations. These facilities were also extended to other coalition partners

participating in Operation Enduring Freedom. The approvals were based on the existing guidelines for military assistance to friendly countries.

The two sides maintained regular diplomatic contacts on U.S. response to the terrorist attacks, India's own concerns regarding Pakistan-sponsored terrorism in India, the need to have a comprehensive approach to the global war against terrorism and the political and economic future of post-Taliban Afghanistan. The United States acknowledged that the war against terrorism covers terrorism affecting India, including in Jammu & Kashmir.

India-U.S. cooperation also extended to the efforts to achieve a political settlement in Afghanistan. Constructive dialogue and exchange of views were carried out on a regular basis at political and official levels in New Delhi, Washington and at the UN in New York. In recognition of India's experience and capacity to contribute to economic reconstruction in Afghanistan, India was among a select group of countries invited to a conference jointly sponsored by the United States and Japan in Washington D.C. on 20 November 2001 for a discussion on the economic reconstruction of Afghanistan. India-U.S. consultations also helped in shaping the settlement between Afghan groups at their meeting in Bonn from 27 November to 5 December 2001, which led to the establishment of the Interim Administration in Afghanistan.

The United States also took a stronger position than in the past on terrorism affecting India. The United States condemned the attack on the Assembly building in Srinagar on 1 October 2001 as a terrorist act, with the White House publicly stating that President Bush believes that "terrorism must end everywhere, and that includes in Kashmir". There was, however, no public linkage drawn with Pakistan with regard to this attack.

The United States strongly condemned the terrorist attack on the Parliament on 13 December 2001, describing it as outrageous. The U.S. Administration, which had already placed Lashkar-e-Taiba and Jaish-e-Mohammed, among others, on the U.S. Treasury Department's Specially Designated Global Terrorists list and the Terrorist Exclusion List, added these two organisations to the list of Foreign Terrorist Organisations maintained by the State Department. In addition, President Bush and Secretary of State Powell called upon President Musharraf to crack down on terror

networks in Pakistan and take decisive action against Lashkar-e-Taiba, Jaish-e-Mohammed and other terrorist organisations, their leaders, finances, and activities.

These efforts were also accompanied by concerns regarding mounting tensions between India and Pakistan, due to the involvement of Pakistan-based organisations in the attacks. The high level of diplomatic engagement with the United States following this incident was part of the process of reaching out to the international community to articulate India's position and expectation from Pakistan. Although the United States welcomed the statement made by President Musharraf on television on 12 January 2002, and expressed hope for de-escalation of tensions between India and Pakistan, it acknowledged that concrete action by Pakistan with regard to terrorism is necessary for the de-escalation process.

India and the United States also took steps to strengthen bilateral counter-terrorism cooperation with a view to prevent acts of terrorism and to eradicate terrorist organisations. At the fourth meeting of the bilateral Joint Working Group on Counter-terrorism held on 21 & 22 January 2002 in New Delhi, the two sides broadened their discussion of the international terrorism situation, agreed to intensify their intelligence and investigative cooperation and considerably expanded their cooperation in strengthening preventive, protective and consequence management capabilities. Besides, the two countries have also agreed within the framework of defence cooperation to add a new emphasis on counter-terrorism initiatives, including expanding mutual support in this area.

Despite their focus on the immediate concerns relating to terrorist attacks, the campaign against terrorism and Afghanistan, India and the United States continued to pursue their vision of a broad-based and mutually beneficial long-term partnership. In recognition of their shared strategic interests in Asia and beyond and the positive contribution that their defence and security cooperation can make to promoting freedom, global peace, economic progress and security, the two sides took a number of steps to resume and qualitatively expand defence relations.

The meeting between Minister of External Affairs & Raksha Mantri and U.S. Defence Secretary Rumsfeld in Washington D.C. on 06 April 2001 laid the foundation for resumption of defence relations. General Henry Shelton's visit to India from 18-20 July 2001 was the first visit to India by a Chairman of the U.S. Joint Chiefs of Staff.

Commander of the U.S. Pacific Command Admiral Blair visited India from 27-29 November 2001 to continue the dialogue between the U.S. Pacific Command and the Indian Armed Forces. Secretary Rumsfeld's talks with Raksha Mantri in New Delhi on 5 November 2001 provided the two sides an opportunity to strengthen mutual understanding on a wide range of short-term and long-term international security issues and discuss areas of mutually beneficial cooperation. Raksha Mantri's meeting with Secretary Rumsfeld during his visit to the United States from 16-20 January 2002 added momentum to defence relations between two sides, both for military-military exchanges and defence supplies.

The India-U.S. Defence Policy Group, which met on 3 & 4 December 2001 decided to resume the Army, Air Force and Navy Executive Steering Groups and set up a Military Coordination Group to promote military-military exchanges and joint activities. These groups will meet in February-March to draw up their programme of activities. In addition, the two sides have revitalised the Joint Technical Group to stimulate technical cooperation in defence production and have established a Security Cooperation Group to manage the defence supplies relationship between India and the United States. In addition, the two sides agreed on a dialogue between the newly established Integrated Defence Staff of India and the Joint Chiefs of Staff of the United States and dialogue with different geographical operational command structures of the United States Armed Forces. During Raksha Mantri's visit to the United States, the two sides also signed the General Security of Military Information Agreement to provide mutual protection to military information exchanged between the two sides.

In the context of their expanding dialogue on international security issues, India and the United States have begun regular consultations on the New Strategic Framework (including missile defence) of the United States, unveiled by President Bush on 1 May 2001, beginning with the visit of Deputy Secretary of State Richard Armitage's visit on 11 May 2001 as a Special Emissary of President Bush. Prime Minister and President Bush agreed at their meeting on 9 November 2001 to institutionalise this consultation through a "New Strategic Framework Dialogue".

The development of stronger defence relations, as also technological and economic relations, with the United States has been facilitated by the lifting of a range of unilateral restrictions imposed by the United States under its domestic law

in response to the nuclear tests of May 1998. The previous U.S. Administration had lifted some of the economic restrictions in a limited manner. On 22 September 2002, President Bush lifted all economic, military and technological restrictions. In addition, on 1 October 2002, the U.S. Department of Commerce reduced the number of Indian organisations on the Entity List from over 150 to 16 and also eased the restrictions on the organisations that remained on the Entity List. Export of "dual use" goods and technology from the United States to India will now be subject, as before May 1998, to U.S. export control laws.

As part of the process of expanding cooperation with the United States, a beginning has been made in areas of nuclear energy and space. During Prime Minister's visit to Washington in November 2001, the two sides agreed to resume the three NRC safety-related projects involving technical information exchanges on emergency procedures and expand cooperation in scientific and civilian fields such as weather, migration, and communications.

Government also continued its efforts to strengthen economic and trade ties with the United States. Besides resuming the three ministerial level dialogues - Financial and Economic Forum, India-U.S. Commercial Dialogue and Working Group on Trade Policy - the two sides have added two additional high level dialogues on Energy and Environment. During her visit to New Delhi in January 2002 Governor Ms. Christie Whitman, signed a Memorandum of Understanding with the Minister of Environment and Forests on promoting cooperation in environmental projects.

Canada

The period 2001-02 saw a turn-around in India-Canada relations. On 20 March 2001 Canadian Foreign Minister, Mr. John Manley made an announcement saying that Canada had decided to restore relations with India, disrupted since the nuclear weapons tests in May 1998 and that, it would pursue the broadest possible political and economic relationship with India. Earlier the same day, he had told a gathering of Commonwealth Foreign Ministers in London that Canada saw India, along with China, as the "big emerging players". With the announcement, Canada resumed full CIDA operations in India and also lifted the "measures" imposed since May 1998, barring those relating to its voting pattern in international financial institutions on non-BHN (Basic Human Needs) projects relating to India, and cooperation in the

defence field. India decided to fully reciprocate the gesture for normalisation of relations coming from Canada.

Following the formal announcement, Canada's Deputy Minister of Foreign Affairs Mr. Gaetan Lavertu visited New Delhi on 30 April - 1 May 2001, bringing with him proposals for reviving and enhancing the level of cooperation. Some of the steps proposed were: exchange of high level visits, meetings between the top leadership of the two countries on the margins of multilateral fora such as CHOGM and UNGA and strengthening ongoing cooperation in the areas such as counter-terrorism, security dialogue and peacekeeping. It was also decided to resume bilateral Foreign Office Consultations, which had been kept in abeyance since Pokhran-II.

In that regard, a delegation led by Secretary(West) visited Ottawa on 12 June 2001 to hold Foreign Office Consultations. Discussions covered an overview of bilateral relations, with emphasis on going beyond exchange of views to active cooperation. The two sides also shared their views on regional issues, relations with great powers as well as cooperation in the multilateral fora such as the UN, G-8, WTO, etc where there were avenues for mutually beneficial cooperation. It was also decided to have such consultations on a regular basis.

Minister of Power Shri Suresh Prabhu visited Canada from 6-10 June. The High-Level Committee on the Indian diaspora also visited Toronto and Vancouver from 4-9 June .

The 4th meeting of the Indo-Canada Joint Working Group (JWG) on Counter-terrorism met in Ottawa on 27 & 28 August 2001. This is the only bilateral mechanism that has continued uninterrupted even during post-Pokhran hiatus in relations. During the meeting, there was a conscious effort to move the focus to new and emerging issues of counter-terrorism as also to make the deliberations more action-oriented. The agenda was accordingly expanded to include cyber crime and cyber terrorism, CBRN (chemical, biological, radiological and nuclear) terrorism and the possibility of training in different aspects of counter-terrorism. In past JWG meetings, the Kanishka bombing investigations had formed a major part of the discussions. The Canadian side stated that the investigations had reached a concluding stage, with charges having been laid against the three main accused. The Canadian government expected to receive convictions in court.

In the wake of 11 September terrorist attacks in the United States, Canada decided to remove all sanctions on Pakistan as a reward for the latter's support for the campaign against terrorism. Canada similarly removed the "remaining sanctions" on India relating to its voting pattern in the international financial institutions. Sanctions on defence sales are however, still in place. Canada has also introduced new measures to combat terrorism aimed at suppressing the financing of terrorism in Canada and freezing the assets of listed people / organisations (which include Harkat ul-Mujahidin and Jaish-e-Muhammad). Canada condemned both the 1 October terrorist attack on the Srinagar Assembly as also the 13 December attack on the Indian Parliament.

Canadian Minister of Fisheries and Oceans, Mr. Herb Dhaliwal, visited New Delhi on 7 January 2002 and attended the CII Partnership Summit in Bangalore. Deputy Prime Minister Mr. John Manley visited New Delhi on 21 & 22 January 2002. His visit signaled the importance Canada now places on deepening and broadening its relationship with India, a process Mr. Manley himself had set in motion as Foreign Minister.

LATIN AMERICA AND THE CARIBBEAN

India's relations with the Latin American and Caribbean countries have been historically trouble-free and friendly. In India's policy towards the region the Ministry has emphasized strengthening and reinforcing the bonds of political cooperation and on enhancing the economic content of India's relationship mainly through the 'Focus LAC' programme. As a result of this effort, India's political and economic interactions both at the bilateral and multilateral levels, have proved mutually beneficial. There are presently 13 resident Indian diplomatic missions and one post in the region. Through concurrent accreditation and honorary consulates all the other 20 countries in the region are also covered. Twelve countries from the region have their resident missions in New Delhi.

The mechanism of Foreign Office level bilateral consultations has contributed greatly to better political understanding within the ambit of India's bilateral relations. We have signed MoUs on the subject with 12 countries from the region and a few more are under active consideration. The regular review of bilateral relations through this mechanism has helped us focus better on the potentials and concerns of India's

dialogue partners and has led to better coordination on multilateral issues of common interest.

The Focus LAC programme launched by the Government of India in November 1997 aimed at sensitizing organizations such as Export Promotion Council, Chambers of Commerce and Industry, CII, EXIM Bank, etc. to focus on trade promotion activity in the Latin American and Caribbean countries has started to pay dividends. Areas of bilateral trade and investment have been identified, economic interaction has increased and a number of international exhibitions and visits by trade delegations have helped disseminate valuable information on Indian commodities and technological advancement, especially in the areas of Information Technology and pharmaceuticals. Joint Commissions have been set-up with five countries, trade and economic agreements have been signed with seven countries. A number of accords have also been signed between the apex trade and industrial bodies of India and Latin American and Caribbean countries. The overall trade with India has increased from US \$ 1.5 billion last year to US \$ 1.7 billion this year. This is specially significant at a time of global economic downturn.

India is well-known culturally in the LAC region. Indian philosophy, Yoga, Mahatma Gandhi and his teachings, Indian classical music and dance, Indian cinema have been a source of inspiration for many in the region. There are more than 500 institutions, schools, libraries, streets and squares named after India and Indian leaders in the region. Mahatma Gandhi's busts and statues have been installed at important places in a number of countries. At present there are cultural agreements and cultural exchange programmes with 14 countries. Indian artists and academics have been visiting Latin American and Caribbean countries regularly under ICCR sponsorship. ICCR administered scholarships have brought students to Indian academic institutions. Indian Cultural Centres have been flourishing in countries with substantial population of persons of Indian origin, such as, Suriname, Trinidad & Tobago and Guyana. The technical assistance rendered by India under the ITEC programme for officials, experts and technical personnel for training and study tours in India as well as sending Indian experts to Latin America and the Caribbean has helped publicise India's prowess in training technology and implementing low-cost schemes.

While politically, the LAC region continued to progress towards democratization,

economically the region saw one of the worst recessions in history. Presidential elections heralded a new era in Peru with the advent of the first ethnic Indian President, Alejandro Toledo to head the Government since the time of the Incas 400 years ago. In Trinidad & Tobago Prime Minister Basdeo Panday's Government fell on charges of nepotism and corruption with fresh elections now due on 10 December 2001. In Nicaragua's recent Presidential elections former President Daniel Ortega was defeated by his conservative rival, Enrique Bolanos. On the economic front, the global recession has added to Argentina's woes limiting its options of servicing its US \$ 132 billion debt. Mexico's NAFTA dream is rapidly turning into a nightmare with numerous lay-offs and company shut-downs. The region is reeling under the domino effect of both the US economic slow-down and Argentina's troubles threatening the very existence of its multilateral economic institution MERCOSUR. However, the process of economic integration continues and the region is preparing to be part of the hemispheric free-trade area by December 2005. India has taken advantage of this phenomenon by proposing PTAs with several key countries in the region and by establishing a dialogue mechanism with the Rio-Group at the Ministerial level.

Argentina

Minister for Power, Shri Suresh P. Prabhu, visited Argentina from 20-24 October 2001 to attend the 18th World Energy Congress held in Buenos Aires. He also inaugurated the Indian Pavilion at the Energy Exhibition held in conjunction with the Congress. He had interaction with senior officials of the power sector from various countries during the course of the Congress.

India and Argentina, both signatories of the Antarctic Treaty, had signed an MoU on Cooperation in Antarctic Research in New Delhi in January 1998. Argentina maintains six technical stations in Antarctica and has some territorial claims over the icy continent. India has consistently supported the Argentine proposal to establish the Secretariat of the Antarctic Treaty in Buenos Aires. In August 2001, the Argentine Foreign Minister had sent a letter of thanks to Indian EAM in this regard. The Indian Navy regularly sends participants to the annual Antarctic Navigation Course conducted in Buenos Aires by the Argentine Navy.

Brazil

The Minister of Petroleum & Natural Gas, Shri Ram Naik, accompanied by Members of Parliament, Members of Maharashtra State Legislative Assembly and senior officials, visited Brazil from 23-27 May 2001. The aim of the visit was to study the production and use of alcohol as an additive to petrol and diesel in Brazil.

The Governor of the State of Pernambuco, Mr. Jarbas de Andrade Vasconcelos, accompanied by an official delegation, visited India from 6 -12 May 2001 to discuss bilateral cooperation in pharmaceuticals, information technology and infrastructure areas.

The Minister of HRD, S&T and Ocean Development, Prof. Murli Manohar Joshi, visited Brazil from 4- 6 July 2001. Secretary (DST) Prof. V.S. Ramamurthy; President, Indian National Science Academy and Director, Indian Institute of Science, Bangalore, Prof. G. Mehta; former President, Indian National Science Academy, Prof. P. N. Tandon also accompanied the Minister. During the visit, the Minister held discussions with the Brazilian Minister of Science & Technology, Mr. Ronaldo Mota Sardenberg, on strengthening mutual cooperation in science and technology between these two countries. An MoU for mutual cooperation in Science & Technology was signed in Brasilia. The Minister also called on President Cardoso on 5 July. The Minister also addressed the Brazilian Academy of Sciences in Rio de Janeiro on 6 July.

A high level 9-member official delegation from the Department of Information Technology, Brazilian Ministry of Science and Technology, visited India in August 2001, to discuss cooperation in the area of Information Technology within the framework of MoU for setting up India-Brazil IT Task Force, which was signed in November 2000.

Minister of State for Commerce & Industry, Shri Rajiv Pratap Rudy, visited Brazil to inaugurate the Expo-India 2001, an exclusive exhibition of Indian products held in Sao Paulo at Expo Center Norte, White Pavillion from 25-29 September 2001. Over 240 Indian companies and departments of Government of India participated at this exhibition, which was the largest exhibition of Indian products ever held in the entire Latin America.

The Minister of Power, Shri Suresh P. Prabhu, visited Brazil from 14-19 October

2001 to discuss mutual collaboration in the area of power sector. During the visit, he held discussions with the Brazilian Minister of Mines and Energy, Mr. Jose Jorge de Lima. He also held discussions at Eletrobras, the Brazilian state-owned company for power generation and distribution, in Rio de Janeiro as well as at ANEEL (Brazilian National Regulatory Agency for Energy Sector) on the de-regulation and privatization in the energy sector in Brazil.

As a result of concerted trade promotion efforts, India's exports to Brazil crossed US\$309 million mark in the first eight months of 2001. While Brazilian exports to India reached US\$ 182.6 million the value of Indian exports in the first eight months exceeded the corresponding figure for the whole of the calendar year 2000, which was US\$ 271 million.

Minister of Science & Technology and Ocean Development, Shri Murli Manohar Joshi has extended an invitation to Minister of Science & Technology, Government of Brazil, Mr. Ronaldo Mota Sardenberg with a view to discuss the modalities of implementing various items identified, for co-operation in the field of science and technology, under the Memorandum of Understanding on Co-operation in Science & Technology, signed in July 2001. The invitation has been accepted by the Brazilian side. The visit is likely to take place in the last week of February 2002.

India's exports to Brazil in 2001 amounted to US\$542.795 million as compared to US\$271.286 in 2000. Brazil's exports to India 2001 amounted to US\$285.278 million as against exports of US\$217.404 million in 2000.

Chile

During the year, the focus of the bilateral relationship was on strengthening and diversifying economic and commercial links between India and Chile. In bilateral interaction, the Chilean President, Ricardo Lagos, and the Foreign Minister, Maria Soledad Alvear, underlined the priority Chile attached to developing a substantial relationship with India given India's strength and potential as a major emerging economy in the world.

Growingly aware of the opportunities and potential of the Chilean market and the strength of its economic and business credentials, Indian business and trade delegations have been actively exploring and tapping Chile's potential. During the

year, Indian business and trade delegations to Chile included those of the Handicrafts Export Promotion Council in May, the Gems and Jewellery Export Promotion Council in May, the Chemical and Allied Products Export Promotion Council in July, the Powerloom Development Export Promotion Council in October and the Gems and Jewellery Export Promotion Council in November.

As an expression of Chile's cultural openness and receptivity to Indian culture, the Municipal authorities organised on 2 October 2000 a public function at the Plaza de la India in Santiago to pay respects to the memory of Mahatma Gandhi. Similar functions were also organised at the provincial Capital of Curico and the Municipality of Sagrada Familia in honour of Mahatma Gandhi. While Curico has a bust of Mahatma Gandhi erected at a public park, the Municipality of Sagrada Familia has also laid the foundation for erecting a monument to Mahatma Gandhi.

Colombia

India's traditionally warm and friendly relations with Colombia were further intensified during the year. The President of Colombia, H.E. Mr. Andres Pastrana Arango, paid a State Visit to India from 4-8 March 2001, the first ever high level visit from that country to India. He was accompanied by Mrs. Nohra Puyana de Pastrana and a high level delegation that included the Colombian Ministers of Foreign Affairs, Foreign Trade, Education and Agriculture, the heads of several Government agencies and representatives of Colombian business and industry.

In a joint statement issued during the visit, Colombia recognised India's legitimate aspirations to a permanent seat in a reformed and expanded UN Security Council as well as India's important role in regional and world affairs. The Colombian President also welcomed India's efforts and initiatives to foster friendly and cooperative ties with all its neighbours as well as India's concern related to cross-border terrorism. Both sides recognised the need for the entire international community to vigorously combat the global menace of terrorism. India welcomed the leading role played by Colombia in the political and economic integration processes underway in Latin America and stressed the importance it attached to relations with Colombia as a trusted friend and special partner in the Latin American region.

Four agreements/MoUs were signed during the visit, providing for the elimination of the visa regime for Diplomatic/Official passport holders, facilitation of visas for ordinary passport holders, including businessmen, cooperation between the respective Diplomatic/Foreign Service Academies of the two countries and the establishment of a reciprocal line of credit between the EXIM Bank of India and Bancoldex of Colombia.

The Government of India announced the extension of technical cooperation to Colombia under its ITEC Programme in the areas of human resource development, provision of IT experts and the supply of a solar energy unit.

Following interactions between the Colombian President and his accompanying business delegation with leaders of Indian business and industry, promising areas for strategic partnerships, including in the areas of textiles, pharmaceuticals, chemicals, engineering and automotive goods, IT education, software development and gems and jewellery, were identified.

As a follow up to the state visit, President Pastrana invited the Indian Minister for IT to visit Colombia. A Joint Business Forum between India and Colombia was mooted. An India-Colombia Video Conference on the IT sector was organised on 31 August. India's IT industry participated as guest of honour in Compuexpo Empresarial 2001 held in Bogota from 17-20 October.

Indian exports to Colombia, which stood at \$ 65 million in 2000, increased at a rate of over 30 per cent during 2001. The CMD of ITPO visited Bogota from 18-19 September. Indian business delegations from CHEMEXCIL and the Council for Leather Exports visited Colombia during the year. TATAs established a distributorship for their cars and pickup trucks in Colombia.

Ecuador

Mr. Francisco Cobo Martinez, a prominent Ecuadorian businessman, was appointed the Honorary Consul of India in Ecuador on 7 September.

Indian exports to Ecuador, which totaled \$ 6 million in 2000, increased at the rate of 60 per cent during 2001. Bajaj Auto established a new distributorship in Ecuador.

Cuba

A 12-Member Parliamentary delegation headed by Speaker of the Lok Sabha, Shri G.M.C. Balayogi participated at the 105th Inter-Parliamentary Union Conference held in Havana from 1-7 April 2001. Deputy Chairperson of Rajya Sabha Dr (Mrs) Najma Heptulla, participated as President of the IPU.

Secretary (West) and Additional Secretary (LAC) visited Havana from 19-22 August for Foreign Office level consultations held each year alternately in Delhi and Havana. During their visit they also called on Acting Foreign Minister, the First Vice Minister of Science, Technology and Environment, Minister of the Government, and Vice Minister for Investment and Foreign Economic Relations.

The President of India sent a message of sympathy to the President of Cuba on the devastation caused by Hurricane Michelle which hit Cuba on 6 November 2001.

Guyana

Indo Guyana Bilateral Relations during the year 2001-2002 continued to remain cordial and friendly. There has been some further movement in Indo Guyana interactions especially after the meeting of the Indo-Guyana Joint Commission in November 2000. As a follow up of the Joint Commission Meeting, the Guyanese side has been quite enthusiastic about forwarding drafts on their behalf for various agreements between the agencies of the two Governments.

The visit of the Minister of State for External Affairs, Shri Krishnam Raju received wide attention in both Guyanese political circle and media. During the meeting with the MOS, the Guyanese leadership appreciated the assistance being provided by India to Guyana under the ITEC programme of the Ministry of External Affairs. The Guyanese Foreign Minister expressed a desire to further strengthening of relations between the two countries.

The High Level Committee on the Indian Diaspora, headed by Dr L.M.Singhvi visited Georgetown in May 2001. The members of the Committee met the representatives of various groups of persons of Indian Origin and heard their views on the aspirations of PIOs. The Committee was given due importance by the Government of Guyana and was received among others by the President of Guyana.

The Mission has been quite active in organising cultural activities during the year. On the eve of the Independence Day, a cultural pageant “Triveni Kala Sangam” was presented which was attended by the Prime Minister Sam Hinds, former President and Leader of Opposition Mr. Desmond Hoyte, Ministers in the Government and other dignitaries. Cultural performances were also presented on ITEC Day and Maulana Azad’s Birthday.

Jamaica

The first ever Foreign Office Level Consultations were held in Kingston on 9 & 10 April 2001. The Indian side was led by Additional Secretary (LAC) and the Jamaican side by Permanent Secretary in the Ministry of Foreign Affairs and Foreign Trade, Ambassador Stafford Neil. The discussions covered matters of bilateral relations and cooperation and regional and international issues of mutual interest.

Speaker Lok Sabha, Shri G.M.C. Balayogi and his delegation transited through Jamaica from 30 March 2001 to 1 April 2001 en-route to Cuba to attend IPU Conference there.

Jamaican Minister of Foreign Trade, Mr. Anthony Hylton paid a visit to India from 1-4 August 2001 to hold talks with the Minister of Commerce & Industry on the appropriate strategy to be adopted for the WTO meet at Doha.

A delegation led by Minister of Industry, Commerce & Technology of Jamaica, Dr. Philip Paulwell visited India from 16-20 October 2001. The Minister was seeking India’s cooperation and collaboration in the development of Information Technology in Jamaica. The visit was in the Minister’s capacity as the Chairman of the ACP countries. The main object of the visit was to exchange views on the WTO negotiations.

Trade between India and Jamaica has been growing at an impressive rate. Indian exports to Jamaica during 1999-2000 amounted to Rs.16.94 crores registering an increase of 131 per cent over the previous year. The provisional figures for the year 2000-01 reflect maintenance of the rate of growth. Indian exports during 2000-01 reached a level of Rs.41.40 crores representing an increase of 151 per cent over the previous year.

The Rail India Technical and Economic Services Limited (RITES) has been

negotiating with the Government of Jamaica on an agreement for RITES to operate the Island’s railway, which was shut down by the government in the early 1990s after years of losses and deterioration. A draft concessioning agreement almost to the extent of 95 per cent has been concluded recently and an agreement is likely to be signed in the near future.

Dominican Republic

The Ministry of External Affairs, Government of India, and the Ministry of Foreign Affairs, Government of the Dominican Republic, signed a Memorandum of Understanding on 31 May 2001 at Santo Domingo, the capital of Dominican Republic, to hold regular consultations to review all aspects of bilateral relations between the two countries and to undertake exchange of views on international and other matters of mutual interest.

India’s exports to the Dominican Republic amounted to Rs.46.86 crore during the year 2000-01.

Negotiations have reached an advanced stage for sale of Indian helicopters to the Dominican Republic. HAL have made an offer along with a financial package. If this deal comes through, then this will be the first ever sale of Indian aircraft to the Caribbean.

Mexico

A multi-party Parliamentary delegation, headed by the Speaker of the Lok Sabha Shri G.M.C. Balayogi, visited Mexico from 27 May to 1 June 2001. Besides a call on President Vicente Fox, the Indian delegation had substantive discussions with the President of the Mexican Chamber of Deputies Mr. Ricardo Garcia Cervantes; a delegation from the Mexican Senate headed by its President Mr. Enrique Jackson Ramirez; the Chamber of Deputies’ Commission for Foreign Affairs and a delegation from ruling party, headed by the party President Mr. Bravo Mena. The Indian delegation was received as distinguished guests by the plenary session of the Permanent Commission of the Congress. As an important step, the two sides decided that a joint parliamentary friendship group would be established to strengthen inter-parliamentary and bilateral relations. The Indian delegation also visited the International Centre for Improvement of Maize and Wheat (CIMMYT) and met senior

Indian scientists working at the Centre.

Commerce & Industry Minister (C&IM), Shri Murasoli Maran headed an Indian delegation, comprising Commerce Secretary and Indian Ambassador to the WTO, for an informal meeting of trade ministers of select countries, which was held in Mexico City from 29 August to 1 September for informal discussion on multilateral trade issues. In addition to the multilateral meetings, C&IM also had a bilateral meeting with his Mexican counterpart Dr. Luis Ernesto Derbez. The Heads of the participating delegations also called on President Vicente Fox. Two vice-ministers in the Mexican Foreign Office, in-charge of political and economic matters respectively, called on Hon'ble C&IM.

Secretary (West) accompanied by Additional Secretary (LAC) visited Mexico for consultations with the Mexican Foreign Office on 17 August. In a meeting with the Mexican delegation, headed by Vice Minister of Foreign Affairs Mr. Miguel Marin Bosch, both the sides reviewed a wide range of bilateral and global issues of mutual interest.

Indo-Mexican trade and economic relations have continued to grow satisfactorily. In the year 2000, Mexico was the largest destination for Indian exports in Latin America, with the annual exports totaling to US \$ 288 million. In the first six months of 2001, Indian exports to Mexico amounted to US \$ 168 million, registering a growth of over 32 per cent vis-à-vis the same period in the year 2000. Several important trade promotional activities were organized on both sides. Indian trade events in Mexico during the period of the report included participation at the Mexico City Fair in April; catalogue show for the engineering sector in June; BSM for chemicals and pharmaceutical sector in August, participation at the international textiles fairs "MexicoTextil" in September; and "Exintex" in November.

From the Mexican side, a high level delegation from the state of Baja California, led by the State Minister of Economic Development, visited India in May to develop enhanced bilateral linkages in the software and IT sectors. The delegation visited Delhi, Hyderabad and Bangalore. While in Delhi, they also called on the Minister of State for Commerce & Industry, Shri Omar Abdullah. Director General of the Mexican Bank for Foreign Trade (Bancomext) Mr. Jose Luis Romero Hicks also visited India in

June for similar purposes.

Guatemala

The Government of India has donated medicines worth US \$ 10,000 in the wake of severe drought in Guatemala.

Honduras

The Government of India has donated medicines worth US \$ 10,000 to Honduras in the wake of drought situation in the country.

Panama

The First Vice President of Panama Dr. Arturo Vallarino paid a State Visit to India from 1-6 February 2001. He was accompanied by a 15-member high level delegation including 5 businessmen. This was the first ever VVIP visit to India from this region. During the visit Vallarino called on the Vice President and met the Prime Minister and Minister of State for External Affairs, Shri Ajit Kumar Panja. CII, FICCI and NASSCOM arranged seminars at Delhi, Bangalore, Hyderabad and Mumbai respectively for the delegation.

Three MoUs and one Agreement were signed during the visit of the dignitary. MoUs cover - (i) Foreign Office level consultations, (ii) cooperation between Indian FSI and Diplomatic Academy of Panamanian Ministry of External Relations and (iii) cooperation in agricultural research and education. Agreement is on cultural and educational cooperation between the two governments.

The Expocomer of this year was held in Panama from 7-12 March 2001. A total of 16 Indian companies including Plexconcil and Capexil participated. In addition, 7 companies displayed their products and catalogues in the exhibition stands of Plexconcil and Capexil. The Indian participants negotiated spot business of Rs. 82 Lakhs (US\$ 180,000 approx) during the exhibition. In addition, business worth Rs. 72 Lakhs (US\$ 155,000) is under negotiation. The Embassy participated in the International Fair of David – the second largest fair in Panama – organized at David from 15-25 March 2001. Chemexcil, Mumbai participated in the event for the first time.

A ten-member business delegation comprising members of Capexil visited Panama from 8-12 March 2001 to explore business opportunities for their products and to make a first hand study of the local market. A buyer-Seller Meet was organized for the delegation.

A 2-member delegation from Aptech Limited visited Panama in April 2001 to meet prospective partners in Panama for establishment of computer education centers under Aptech franchise. The Embassy arranged high-level meetings for the delegation which included the First Vice President of Panama, Minister of External Relations, Vice Minister of Foreign Trade, Director general of SENACYT (a premier government organization for promotion of science and technology), and Administrator of ARI (Interoceanic Region Authority). The company has short-listed Technological University of Panama and two other private organizations for award of franchise. An MoU for computer education was signed between Aptech and USMA in October 2001.

The Minister of State for External Affairs, Shri U. V. Krishnam Raju accompanied by Additional Secretary (LAC) visited Panama from 13-15 June. This was the first ever visit of a senior level political leader from India to Panama. As per schedule the Minister called on Second Vice President, Mr. Dominador Kaiser Bazan; Vice Minister and Acting Minister of External Relations, Mr. Harmodio Arias Cerjack; Vice-Minister of Health, Mr. Alexis Pinzon; Vice Minister of External Trade, Mr. Miniton Arrocha; and Secretary-General in the Ministry of External Relations, Ms Maria Alejandra Eisemann.

The Embassy in collaboration with the EEPC, New Delhi, organized a Catalogue Show of Indian industrial and engineering products at Panama on 20 & 21 June 2001.

A 4-member PDEXCIL delegation visited Panama from 13-17 October 2001. The Embassy organized a buyer-seller-meet for the delegation at Colon on 16 October and one-to-one meetings with Panamanian businessmen.

Nicaragua

The President of the Republic of Nicaragua Mr. Arnoldo Aleman Lacayo paid an unofficial visit to India from 21-25 July. A large delegation comprising senior officials

and businessmen accompanied the President. During the visit, the Government of Nicaragua placed an order for purchase of 23,000 motor cycles and 10,000 Atlas bicycles from India. It was also reported that purchase of pharmaceutical products, razor blades, pashmina, jewelry, silverware, engineering products and hospital equipment from India was also negotiated.

Peru

Alejandro Toledo was elected President of Peru, in a run-off election, in June 2001 for a 5-year term and took office on 28 July 2001. The elections were supervised by international observers. President and Prime Minister of India sent messages of felicitations to Toledo. A new Congress was also elected simultaneously.

Both, the interim Government and the new Government of Toledo, took immediate steps to strengthen democracy in Peru. These measures included phased changes in the high ranks of the armed forces, setting up of Congressional Commissions to investigate corruption and the arrest of ex-spy chief Vladimiro Montesinos.

Economic and commercial interaction continued to increase. Bilateral trade continued to grow although the economic situation in Peru affected it somewhat. A "Bajaj-Latin America Seminar" was organised in Lima on 6-8 July in which more than 30 Bajaj distributors and dealers in more than 12 Latin American countries participated. A Catalogue Show by Engineering Export Promotion Council was organised in Lima on 11 & 12 July. A UNIDO sponsored delegation from the Ministry of Urban Development and Poverty Alleviation was in Peru on 10 & 11 September to explore the possibilities of transfer of Indian technology to Peru in the area of low-cost housing projects. The Chairman cum Managing Director of ITPO, Smt. Rathi. V. Jha visited Peru on 11 September on a two-day official visit and met senior Peruvian officials. ITPO also agreed to participate with catalogues in the Lima International Pacific Fair.

Suriname

President Ronald Venetiaan, Head of the new NPS coalition Government in Suriname, has accepted the invitation extended by Indian President to visit India.

Dates for the visit are to be finalised through diplomatic channels. In doing so, President Venetiaan's Government has reaffirmed its desire to strengthen bilateral relations with India.

The High Level Committee on Indian Diaspora, led by Dr. L.M. Singhvi, visited Suriname from 28-30 May 2001. During its visit, the four member HLC delegation had productive and cordial meetings with Surinamese dignitaries including the President, Vice President, Foreign Minister and the then Speaker of the National Assembly. During these meetings, Surinamese Government representatives endorsed Indian viewpoint that the traditionally close and cordial bilateral linkages between the two countries should be extended to new economic/commercial areas of cooperation.

Trinidad & Tobago

Bilateral relations between India and Trinidad & Tobago continued to remain friendly and special focus was provided on strengthening economic and commercial ties. Subsequent to the visit of Minister of State for External Affairs, Shri Ajit Kumar Panja to Port of Spain in August 2000, it was decided in principle to set up a Joint Commission to oversee the progress made in various fields of cooperation between India and Trinidad & Tobago. A draft agreement on Inter-governmental Commission on Political, Economic, Scientific, Technological and Cultural Cooperation between the two countries has already been drawn and submitted to the Ministry of Foreign Affairs of Trinidad & Tobago. A Cultural Exchange Programme between India and Trinidad & Tobago is also under active consideration. During the year under review, the Government of Trinidad & Tobago continued to provide support to the Indian candidatures at various international organizations.

Venezuela

Venezuelan President Mr. Hugo Chavez made a transit halt in Mumbai on 6 May. Minister of State for External Affairs called on him. President Chavez had meetings with the Reliance Group and ONGC-Videsh Ltd regarding expansion of cooperation in the oil sector.

The Venezuelan Ministers of Education; and, Science & Technology, visited India

in March this year. They met their counterparts and other organizations and expressed their interest in establishing cooperation with India in the sectors, such as education, space, science and technology including Information Technology and biotechnology.

Secretary General of OPEC and the Venezuelan Minister of Energy and Mines paid a visit to India from 18-22 March 2001. The two Venezuelan dignitaries attended a seminar on "Cooperation between OPEC and the Developing World", jointly organized by TERI and the Embassy of Venezuela in Delhi. The seminar was attended by Indian Ministers of Petroleum and Natural Gas and of Power. In addition to Director TERI, Chairman and Managing Director of ONGC, Director (Exploration and Development), Oil India Ltd., and Director (Marketing, Business Development and IT), Indian Oil Corporation, were also present and spoke at the seminar.

The General Comptroller of Venezuela made an official visit to India at the invitation of the Comptroller and Auditor General of India from 14-17 October 2001. During this visit, an MoU for Cooperation between the Office of the General Comptroller of the Bolivarian Republic of Venezuela and the Office of the Comptroller and Auditor General of the Republic of India was signed for cooperation and exchange of information between India and Venezuela in this area.

An exclusive exhibition of Indian engineering and high-tech products took place in Caracas from 18-21 July 2001 by EEPC at the prestigious International Exhibition Centre. This was the first ever engineering exhibition of India held in Latin America. The Exhibition was inaugurated by the Vice President of Venezuela, Dr. Adina Bastidas in the presence of Commerce Secretary, Shri Prabir Sengupta. 149 Indian companies participated in this Exhibition. The number of Indian participants in the Exhibition was around 300. This was the largest presence of Indian exporters in any exhibition in Latin America. There were about 3,600 business visitors to the Exhibition. At least 50 companies had booked immediate orders for exports valued at over \$5million with \$10-15 million in the pipeline. The Exhibition received wide coverage in the Venezuelan media.

As part of the exhibition, a seminar "India and Venezuela – Partners in Business and Technology" was held on 19 July 2001. The seminar was inaugurated by the Commerce and Industry Minister of India in the presence of the Vice Minister of Trade of Venezuela. Speakers from India and Venezuela covered topics such as lines

of credit, industrial collaboration, Information Technology etc.

Export-Import Bank of India signed three lines of credit with the following during the exhibition :

- (1) Banco Industrial de Venezuela (BIV) = US\$ 10 million
- (2) Banco Mercantil (BM) = US\$ 10 million
- (3) Andean Development Corporation (CAF) = US\$ 10 million

The lines of credit are available for India's export of engineering goods and joint ventures and investments by Indian companies in Venezuela and the Andean community.

The 3rd meeting of the Indo-Venezuelan Joint Working Group (JWG) on Hydrocarbons was held in Caracas 1-4 October 2001. In this meeting, the Venezuelan side invited India's participation in the exploration and production of oil and gas in Venezuela. The Indian side expressed its intention to buy Venezuelan crude oil for the refineries of Indian Oil Corporation. This is in addition to the crude oil being

bought by Reliance Petroleum. These oil purchases are part of the strategy of India to diversify its sources of supply.

The Government of Venezuela, as a gesture of solidarity, handed over US\$ 1 million for the earthquake affected persons in Gujarat.

High Commissioner of India to Barbados, Smt. Kamla Sinha, presented her credentials to the Governor General of Barbados on 3 April 2001.

Ambassador of India to Chile, Shri K.P. Ernest presented his credentials to the President of Chile on 6 July 2001.

High Commissioner of India to Trinidad & Tobago, Shri Virendra Gupta presented his credentials to the President of Trinidad & Tobago on 14 August 2001.

High Commissioner of India to Jamaica, Shri I.V. Chopra, presented his credentials to the President of Jamaica on 3 October 2001.

Ambassador of India to Cuba, Mr. Jose Eloy Valdes Espinosa presented his credentials to the President on 30 April 2001.



9

United Nations and International Organisations

The calendar of meetings of the various bodies of the UN system was progressing smoothly during the major part of 2001. However, the terrorist attacks in the US on 11 September had a dramatic impact on the activities of the United Nations. For the first time in several years, the regular session of the General Assembly had to be deferred to November, from its traditional calendar of mid-September. Apart from the condemnation of the attacks by the General Assembly and the Security Council, the terrorist attacks led to the adoption, without a vote, of resolution 1373 under Chapter VII of the Charter which meant its being mandatory on all members of the UN. The negotiations of the draft Comprehensive Convention for International Terrorism presented by India gained added momentum during the sessions of the Working Group in October and in the Sixth Committee subsequently. The Organisation was closely involved in the political restructuring and initiation of the steps for economic reconstruction of Afghanistan.

The UN continued to engage itself in issues relating to peace keeping in various conflict-torn regions of the world, human rights, health and population, environment and climate change, developmental issues and financing for development. India played a major role in discussions on all these issues and promoted evolution of consensus, while promoting interests of developing countries in the different negotiations.

The 56th Session of the General Assembly

The focus of the session was the subject of terrorism, and the agenda item

“Measures to Eliminate International Terrorism” was considered directly in the plenary. A record number of 167 delegations made statements on this item. India’s initiative in proposing the Draft Comprehensive Convention on International Terrorism was widely welcomed and the need for its early finalisation and adoption was emphasised. In the General Debate also, which had to be postponed due to the terrorist attacks of 11 September 2001, and was held in November, the main focus was on the topic of terrorism. On the opening day of the session, which was also delayed by a day, the General Assembly adopted a resolution condemning the terrorist attacks.

Prime Minister led the delegation to the 56th General Assembly, and spoke in the General Debate on 10 November. He also had bilateral meetings with the Presidents of Argentina, Iran and Cyprus, and with the Prime Minister of Mauritius.

In his statement Shri Vajpayee expressed India’s support for the current campaign against international terrorism. The tragedy of 11 September had created the opportunity to fashion a determined global response to terrorism, wherever it exists and under whatever name. India had its own bitter experience of global networks developed by terrorists and driven by religious extremism. He also called for strict curbs on sources of financing for terrorists and denying them safe havens for training, arming and operations. Prime Minister Vajpayee also called for greater resolve for addressing issues of equitable development and war against poverty. He reiterated India’s offer for a coordinated and comprehensive global dialogue on development.

EAM accompanied the Prime Minister to the General Assembly. He stayed on to represent India at the Ministerial meeting of the Non-Aligned Movement and held separate talks with the Ministerial Troikas of the European Union and of the Rio Group. He held bilateral discussions with the Foreign Ministers of several key Member States. EAM also met the Secretary General and Lakhdar Brahimi, the SG's Special Representative for Afghanistan.

The Special Session of the General Assembly to review the implementation of the Habitat Agenda was held in New York from 6-8 June. Shri Jagmohan, the Minister for Housing & Urban Development and Poverty Alleviation, led the Indian delegation.

At its 56th session, the United Nations General Assembly decided to convert the Commission on Human Settlements into a United Nations programme called UN-Habitat to increase its stature and enhance its operational capacity.

The 26th Special Session of the General Assembly to Review the problem of HIV/AIDS in all its aspects was held in New York from 25-27 June 2001. The Indian delegation was led by Minister of Health & Family Welfare, Dr. C.P. Thakur, and included Leader of the Opposition in the Lok Sabha, Smt. Sonia Gandhi, Member, Planning Commission, Shri Kamaluddin Ahmed, senior officials and representatives of civil society. The Special Session adopted a Declaration of Commitment on HIV/AIDS.

India participated actively in the negotiations during the preparatory process. It emphasised that poverty should be recognised as a contributory factor for the spread of HIV/AIDS, that the needs of developing countries other than those in Africa should be taken into account, the prevention must be the mainstay of the response, that medicines and drugs should be available at prices commensurate with local purchasing power and that developing countries would be unable to accept obligations for the provision of anti-retroviral therapy in the absence of adequate and assured international resources. These are reflected in the outcome document. India also strongly supported the proposal for the establishment of a Global AIDS and Health Fund.

Following the escalation of tensions in Palestine throughout the autumn, and after the US vetoed a draft resolution in the Security Council on 15 December, the Non-Aligned Movement and the Arab Group called for the resumption of the Tenth Emergency Special Session. This was convened on the afternoon of 20 December,

and adopted the text of the draft vetoed in the Council. The General Assembly also adopted a resolution on the applicability of the Fourth Geneva Convention to the Occupied Palestinian Territory. Since South Africa made a statement on behalf of the Non-Aligned Movement, India did not speak separately in the debate. India voted for both the resolutions, which were adopted by the usual overwhelming majorities.

The Security Council

India participated, and its contribution was noted, in open meetings of the Security Council on issues including peace-building; strengthening cooperation with troop-contributing countries; protection of civilians in armed conflict; the situation between Iraq and Kuwait; and the situation in Afghanistan.

The Open Ended Working Group on the Question of Equitable Representation and Increase in the Membership of the UN Security Council (OEWG) which has been examining different aspects of the reform and restructuring of the UN Security Council since 1993, met five times during the year. There was no agreement on any of the substantive issues, either in the OEWG or in the annual debate in the UN General Assembly on the report of this Working Group.

India continued to participate actively in the Open Ended Working Group on the question of equitable representation on and increase in the membership of the Security Council.

There were enhanced expressions of support for India's candidature for permanent membership of the UNSC during the year. In the UN, Russia, France, Cambodia, Vietnam, Mauritius, Ireland and Armenia openly supported India's candidature for permanent membership of the UNSC. During bilateral visits, a number of other countries expressed support for India's candidature during discussions.

Environment & Sustainable Development Issues

The ninth session of the Commission on Sustainable Development was held in New York from 16-27 April 2001 and addressed issues relating to Energy, Atmosphere, Transport and International cooperation for an enabling environment.

The Indian delegation, led by Minister of Environment & Forests, Shri T. R. Baalu, stated that the contrast between the lack of access to energy in developing countries and the over-consumption in developed countries was glaring and unsustainable.

He emphasised that financial resources, technology, managerial capacities and political will were needed if one third of the world's population that lacks energy was to be given access to reliable, regular and affordable energy. Similarly, Shri Baalu stated that huge financial resources, including international financial assistance, on concessional terms was required for road development in developing countries.

The Indian delegation participated at the tenth session of the Commission on Sustainable Development which was converted into an Open-ended Preparatory Committee for the World Summit on Sustainable Development and held its organizational session in New York from 30 April – 2 May 2001. India expressed the view that the forthcoming World Summit on Sustainable Development to be held in Johannesburg in 2002, should focus on the implementation of Agenda 21 with a view to identifying shortcomings and evolving concrete measures to remedy them.

The VII Session of the Conference of Parties of the UN Framework Convention on Climate Change (COP VII) was held in Marrakech, Morocco, from 29 October - 9 November 2001. India was nominated by the Asian Group to the Bureau of COP VII, and continued to act as the Spokesman of G-77 and China on the three Mechanisms of the Kyoto Protocol. The Marrakech meeting agreed on the modalities and procedures for the implementation of the three Mechanisms, viz., Joint Implementation, The Clean Development Mechanism, and Emission Trading of the Kyoto Protocol, pursuant to the political consensus hammered out at the Resumed Session of COP VI in Bonn in July 2001. The agreement on implementation of the Mechanisms is expected to pave the way for the ratification of the Protocol by developed countries (except for the US, which withdrew from the Protocol in February 2001) and accelerate the process of its entry into force by September 2002, in time for the World Summit on Sustainable Development scheduled to take place in Johannesburg. India has also offered to host the VIII Session of COP in New Delhi towards the end of next year.

The Economic and Social Council

The substantive session of ECOSOC was held in Geneva from 2-27 July. The theme for the High-Level Segment was "The role of the United Nations in support of the efforts of African countries to achieve sustainable development". As these discussions were taking place immediately after the OAU Lusaka Summit, where the New African

Initiative (NAI) was launched, references were made to it in the Ministerial Declaration.

The Coordination Segment discussed "The role of the UN system in promoting development, particularly with respect to access to and transfer of technology, especially ICTs, inter-alia, through partnerships with relevant stakeholders, including the private sector". It called for support for the ICT Task Force, as a framework through which the transfer, adaptation and post-transfer follow of knowledge and ICT can take place.

In addition, ECOSOC also took note of the Global Code of Ethics, adopted by the World Tourism Organisation as an outline of principles to guide tourism development and to serve as a reference for stakeholders in the tourism sector.

The fourth annual high-level meeting of ECOSOC with the Bretton Woods institutions was held in New York on 1 May. Addressing the meeting in his capacity as the Chairman of the Development Committee, Finance Minister Shri Yashwant Sinha called for the World Bank's continued involvement with the middle-income countries where 80 per cent of the world's poor live through supporting stable sustainable private investment flows and financial assistance for promoting sustainable growth and poverty reduction. In this context, Finance Minister enunciated a six-point action programme.

UN Forum on Forests

The UN Forum on Forests, established in 2000 as a subsidiary body of ECOSOC with universal membership, held its organizational session from 12-16 February 2001 and its first substantive session in New York from 11-22 June 2001 where the Multiyear Programme of Work, the Plan of Action for Implementation and Initiation of Work of UNFF with the Collaborative Partnership on Forests (CPF) were finalised.

Disarmament Issues

India's commitment to non-discriminatory and universal nuclear disarmament continued to be reflected in its policy pronouncements and diplomatic initiatives. The country's stand on issues related to disarmament and international security in various multilateral and regional forums was premised on India's national security

interests and the nation's tradition of close engagement with the international community.

The series of bilateral dialogues commenced after May 1998 continued to be pursued this year. New security dialogues were also initiated with Japan and Australia. All these have resulted in greater appreciation of India's security concerns and its role as a responsible member of the international community. Harmonisation of India's national imperatives and security obligations with international concerns on non-proliferation and disarmament also progressed steadily.

On the regional level, India's participation in the confidence and security building process and structure under the ASEAN Regional Forum acquired greater momentum. India was also actively involved in similar processes underway in the Conference on Interaction and Confidence Building Measures in Asia.

Regular contact was maintained with key international and non-governmental organisation active in the field of disarmament with a view to disseminating the Indian perspectives on disarmament issues. Enquiries from Hon'ble Members of Parliament on all relevant developments were also responded to and due information brought to the attention of the Parliament.

United Nations General Assembly

India continued to play an active role on disarmament issues in the First Committee of the 56th UN General Assembly. India projected her role as a leading voice for the interests of the developing nations as well as a key player in the dialogues related to strategic stability in the South Asian region through active involvement in the debates on all proposals for resolutions taken up at the First Committee. India is the only nuclear weapon State that believes that its security would be enhanced in a nuclear-weapons-free-world. With this commitment to global nuclear disarmament, it continued to press for negotiations on a Nuclear Weapons Convention that will prohibit forever the development, production, stockpiling, use or threat of use of nuclear weapons, and provide for the elimination of all existing weapons under international verification.

India has clearly and categorically stated its policy of no-first-use of nuclear weapons. However, the doctrines of first use of nuclear weapons have persisted, and, in fact, are being re-validated and reaffirmed. There is need for the international

community to take decisive steps to de-legitimize nuclear weapons. India's resolution on 'Convention on the Prohibition of the Use of Nuclear Weapons' called for a multilateral agreement prohibiting the use of nuclear weapons, which will also contribute to a positive climate for negotiations leading to the elimination of nuclear weapons. It was adopted with the support of 104 countries.

In 1998, India had introduced its resolution 'Reducing Nuclear Danger', which calls for the review of nuclear doctrines and immediate and urgent steps to reduce the risk of unintentional and accidental use of nuclear weapons. This resolution, for which co-sponsorship has grown, was adopted this year with 98 countries voting in favour.

India's resolution on 'Role of Science and Technology in the Context of International Security and Disarmament', highlighting the qualitative aspects of the arms race, and the need for a genuinely multilateral and non-discriminatory response, was adopted with the support of 92 countries.

India was actively involved in the deliberations on a number of other important resolutions in the First Committee. It co-sponsored a Malaysian resolution reaffirming the validity of the 1996 Advisory Opinion of the International Court of Justice that called on all nuclear weapon states to work towards nuclear disarmament. It also voted in favour of a Russian resolution on the preservation of the 1972 Anti-Ballistic Missile Treaty.

Conference on Disarmament

At the Conference on Disarmament (CD), the sole multilateral disarmament treaty negotiating body, which considers recommendations from the United Nations General Assembly while pursuing a permanent Agenda called the 'Decalogue', India assumed a higher profile with the accreditation of the Permanent Representative of India to the Conference on Disarmament. In the Conference, which held three 5-6 week sessions this year (22 January-30 March, 14 May-29 June, and 30 July-14 September), India participated in debate, discussion and consensus building processes to focus on strategic disarmament issues and supported steps for negotiating a non-discriminatory, multilateral, internationally and effectively verifiable treaty banning the production of fissile materials. Through the sub-group of Non-Aligned Countries called the Group of 21, India participated in the examination of specific issues relating

to nuclear disarmament and prevention of an arms race in outer space. India was also actively involved in the examination of proposed measures to overcome the present stalemate in the finalisation of a Programme of Work for the CD, on which consensus has been prevented by conflicting priorities of certain key countries. These proposals include expansion of membership of the CD, review of its Agenda and steps towards improved and effective functioning of the CD.

United Nations Disarmament Commission

India participated in the 2001 substantive session of the United Nations Disarmament Commission held from 9-27 April in New York to consider “Ways and Means to Achieve Nuclear Disarmament” and “Practical Confidence Building Measures in the Field of Conventional Arms”, and was actively involved in the effort to build upon the broad consensus manifested in the United Nations Millennium Declaration towards this objective.

International Atomic Energy Agency

At the instance of the countries comprising the Group of 77, a new feature introduced in the March 2001 meeting of the Board of Governors of the International Atomic Energy Agency (IAEA) was a debate on the Nuclear Technology Review 2001. India led a group of countries who maintained that nuclear energy will continue to be an important part of the energy mix of the future, and that it should be included in the Clean Development Mechanism of the Kyoto Protocol. From the point of view of economy as well as the environment, India emphasised that nuclear energy will continue to be important for developing countries. The conclusion drawn by the Chairman of the Board of Governors from the debate was that countries should be left to take their own decisions regarding utilisation of the most suitable forms of energy for their purposes.

The 45th General Conference (GC) of the IAEA met in Vienna from 17-21 September 2001 in the shadow of the terrorist attacks in New York and Washington DC. The Conference issued a presidential statement, which focused on the need for protecting nuclear installations, nuclear materials and other radioactive substances from terrorist attacks. The Director General of the IAEA was asked to review the activities and programmes of the Agency with a view to strengthening its work relevant to preventing acts of terrorism involving nuclear materials and other radioactive substances.

During the traditional debate on the relative importance of the different pillars of the IAEA's activities, India worked with other like-minded countries to ensure that the balance between these different activities was maintained. The budgetary allocation on Technical Cooperation was preserved at the same level through efforts of the G-77 despite strong reservations against nuclear power expressed by several countries. India also endeavoured to maintain a balanced approach in the GC resolution on ‘safeguards’ for all the Member States of the Agency without discrimination, and clearly placed on record that India's membership of the IAEA did not impose any obligation on her other than those in the Statute of the Agency.

India also chaired the Scientific Forum, which was held to coincide with the IAEA's General Conference. This year, the focus of the Forum was on ‘Servicing Human Needs Using Nuclear Energy’.

Chemical Weapons Convention

The Organisation for the Prohibition of Chemical Weapons (OPCW), headquartered in The Hague entered its fifth year of existence on 29 April 2001. India is an original State Party to the Chemical Weapons Convention (CWC) and continues to fully discharge the obligations assumed by it. In the past four years, the Technical Secretariat of the OPCW has conducted more than 1000 routine inspections at chemical weapon storage sites, former chemical weapons production facilities and other chemical industry plants in many States Parties to the Convention. India has received over 60 inspections at different facilities and these have been conducted in a smooth manner. As a member of the Executive Council since its inception, India has been actively involved in its deliberations and decision-making processes to ensure the implementation of all provisions of the Convention in a non-discriminatory and balanced manner.

Having declared possession of chemical weapons to the OPCW in 1997, India's destruction efforts, under OPCW inspection, have been proceeding according to the destruction timelines established in the Convention, with the OPCW having duly taken note of the destruction plans.

Following the completion of formalities for national implementation measures, the National Authority, established to implement the obligations assumed by India under this Convention, has been undertaking necessary implementation-related steps.

Inordinate delays in implementing key provisions of the Convention relating to international cooperation and assistance, along with a severe strain on the OPCW's financial situation resulting from persistent under-funding, are matters of continuing concern for a number of Member States, including India. These issues need to be addressed on a priority basis.

Biological and Toxin Weapons Convention

Although the 22, 23 and 24 Sessions of the Ad-Hoc Group of States Parties to the Biological and Toxin Weapons Convention (BTWC) - held in Geneva during 2001 to carry out negotiations and conclude a legally binding instrument for strengthening the Convention - ended in a stalemate, following the rejection by USA of the draft Protocol in end-July, India remained active in efforts to strengthen the Convention. In the 5th Review Conference of the BTWC held from 19 November to 7 December 2001, India played a central role in facilitating progress towards consensus on key elements with a view to recommending a programme of work for the future. However, the Review Conference ended inconclusively with an agreement to resume work in November 2002.

Convention on Certain Conventional Weapons

The 2nd Review Conference of the States Parties 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 (CCW) was held in Geneva from 11-21 December 2001, with the Indian delegation playing an active role. The Conference agreed to expand the scope of the CCW to include non-international armed conflicts. Main Committee I of the Conference, which dealt with this issue, was chaired by Ambassador Rakesh Sood of India. The Conference also agreed to establish an open-ended Group of Governmental Experts, with two separate coordinators, to discuss the issue of Explosive Remnants of War and to further explore the issue of Anti-Vehicle Mines. It was decided that a meeting of States Parties to the CCW will be held in December 2002 to review the work of this Group, as also to undertake consultations regarding options to promote compliance with the Convention and its Protocols. Ambassador Rakesh Sood of India has also been appointed Chairman-designate of this meeting.

UN Conference on the Illicit Trade in Small Arms and Light Weapons

In the first ever UN Conference on Illicit Trade in Small Arms and Light Weapons in All Its Aspects, held in New York from 9-20 July 2001, India played an active role both in the preparatory process of shaping the agenda, as well as during the Conference, in formulating a Programme of Action to address the security challenges caused by illicit trafficking in small arms and light weapons.

Outer Space Affairs

The 44th Session of the UN Committee on the Peaceful Uses of Outer Space (UNCOPUOS) took place in Vienna during 6-15 June 2001. The Indian delegation, which played an active role, was led by Chairman, ISRO and Secretary, Department of Space, Dr. K. Kasturirangan. UNCOPUOS discussed ways and means of maintaining Outer Space for peaceful purposes, implementation of the recommendations of the UNISPACE III, spin-off benefits of space technology as well as the Reports of the 38th session of the Scientific and Technical Sub-Committee and the 40th session of the Legal Sub-Committee.

During the UNCOPUOS meeting, an international symposium on 'The Human Dimension in Space Science and Technology Applications' was organised where Director, Vikram Sarabhai Space Centre, Shri G. Madhavan Nair, presented a paper on 'Space and Society: Indian Scenario'. India was selected as the Coordinator of one of the Action Groups for implementation of the recommendations of UNISPACE III. India would be the Coordinator of the Action Group on 'improving management of earth's natural resources'.

The 40th session of the Legal Sub-Committee on UN Committee on the Peaceful Uses of Outer Space took place in Vienna on 2-12 April 2001. The Sub-Committee deliberated on the status and application of five UN Treaties on Outer Space; definition and delimitation of Outer Space; character and utilisation of Geostationary Orbit; revision of the principles relevant to the use of nuclear power sources in Outer Space; concept of launching state; the draft Convention on the International Institute for Unification of Private Law on International Interests in Mobile Equipment; and the preliminary Draft Protocol on matters specific to space property.

Deliberations on Ballistic Missile Proliferation

India participated in the second meeting held in Moscow on 15 February 2001

to continue discussions on creation of a Global Control System on missile proliferation proposed by the Russian Federation. Indian officials also attended a Roundtable Meeting held in Warsaw on 17 & 18 May 2001 to discuss the Draft International Code of Conduct against ballistic missile proliferation proposed by the Missile Technology Control Regime (MTCR). India is also represented on a UN Expert Panel on Missiles set up under a UN General Assembly Resolution, which held its first meeting in New York from 30 July to 3 August 2001. In connection with the French initiative to host an international conference in Paris in early 2002 to work on a revised Draft International Code of Conduct, a French Foreign Office delegation also visited New Delhi in December 2001.

ASEAN Regional Forum

India took part in the work of the ASEAN Regional Forum (ARF) through participation in the various meetings organised under the aegis of the ARF during the year. The ARF Inter-sessional Support Group Meeting on Confidence Building Measures (ISG on CBMs) was held in Kuala Lumpur from 18-20 April 2001. The ISG on CBMs was preceded by an Expert Group Meeting on Transnational Crime. This meeting discussed further the issues of anti-piracy, illicit trafficking in small arms, and illegal migration. The ARF Senior Officials' Meeting held in Hanoi in May 2001 took stock of the developments and prepared for the ARF Ministerial Meeting in July.

The 8th ARF was held in Hanoi on 25 July 2001. Deputy Chairman of the Planning Commission, Shri K.C. Pant led the Indian delegation. The meeting reviewed the progress of the Forum and discussed its future direction. Detailed presentations were made by ARF member states on various issues concerning regional and international security. The Indian delegation highlighted the threat to security posed by international terrorism and the need for ARF members to cooperate in combating it.

The meeting endorsed India's offer to Co-Chair, along with Vietnam, the ARF ISG on CBMs for the year 2001-2002. India successfully hosted the first meeting of the ISG on CBMs in New Delhi from 19-21 December 2001. Representatives from 22 ARF participating countries attended the meeting. Delegates also made a field visit to Agra and witnessed live demonstrations by the armed forces.

Conference on Interaction and Confidence Building Measures in Asia

Indian delegations participated actively in meetings of the Conference on

Interaction and Confidence Building Measures in Asia (CICA) held in Almaty, Kazakhstan to negotiate a Document to be signed by the Heads of State or Government of all CICA Member States. The Document was finalised in September 2001 but the CICA Summit scheduled for November 2001 was postponed on account of the situation in Afghanistan. The Summit is now expected to be held in mid-2002.

Political Issues

Terrorism

In many ways the horrific terrorist attacks in the USA on 11 September served to push terrorism to centre stage of the international agenda, particularly in the latter half of the year.

The annual debate that traditionally takes place on Measures to Eliminate Terrorism in the Sixth (Legal) Committee, was shifted to the UN General Assembly and held from 1-5 October 2001. An unprecedented number of countries – over 167 – spoke condemning terrorism and urging strengthened international cooperation to combat terrorism. At the same time, the preoccupation for some countries with the deteriorating situation in the Middle East and the escalating violence that characterised the latter half of the year meant that several countries also laid emphasis on the need for a definition of terrorism that would differentiate struggles against foreign occupation from terrorism. Some countries called for an international conference to deal with these issues. In our statement we pointed out that terrorism cannot be justified on any grounds and called for comprehensive, sustained international cooperation to combat terrorism, which should be directed not only at the perpetrators of terrorism, but also those who sponsor, support and finance such acts.

The third round of discussion on India's initiative for a Comprehensive Convention on International Terrorism was held from 15-26 October. There was considerable progress, with agreement being reached on many articles, except some issues. It was agreed that further consultations would take place from end January 2002.

On September 12, UN Security Council adopted resolution 1368 condemning the terrorist attacks in USA. Subsequently on 28 September 2001, it adopted resolution 1373 (2001) which outlined wide ranging and comprehensive steps and strategies

to combat international terrorism. The resolution, inter alia, called on all States to prevent and suppress financing of terrorist activities, freeze all financial assets and economic resources of possible terrorists; refrain from providing any form of support including recruitment and training etc. to terrorists. The need to strengthen international cooperation to combat terrorism, including implementation of existing conventions etc.

The resolution, which was adopted under Chapter VII of the UNSC, is mandatory and binding on all States. To monitor implementation of the Convention, a Committee comprising all members of the Council was set up. All States are expected to report to the Committee within 90 days, on the steps they have taken to implement the resolution.

As a victim of cross border terrorism for several decades and having played a leading role over the years in drawing the international community's attention to combat terrorism, India welcomed UNSC resolution 1373. India sees the resolution as being in harmony with its own approach for a Comprehensive Convention on International Terrorism. India is fully committed to implementing its obligations under the resolution and is submitting its National Report on the measures taken to eliminate terrorism which also cover the measures contained in resolution 1373, to the UN Security Council.

The issue of terrorism and the need for enhanced international cooperation to combat terrorism was also discussed in meetings of Joint Working Groups that India has with several countries on this issue, notably Indo-French Joint Working Group on Terrorism (7 September 2001), Indo-UK Joint Working Group on International Terrorism and Drug Trafficking (22 January 2001 and 19 December 2001), Indo-US Joint Working Group on Counter Terrorism (7-8 February 2001), Indo-EU Joint Working Group on International Terrorism (9 November 2001), and Indo-Canadian Joint Working Group (22-28 August 2001). The enhanced awareness in the international community and sensitivity to the concerns India has been raising on terrorism found a reflection in number of declarations/communiqués adopted at the bilateral levels, including Indo-Russian Joint Declaration on Terrorism, Indo-EU Declaration on Terrorism etc.

Afghanistan

The Committee of Experts set up under the resolution 1333 to make

recommendations on a monitoring mechanism to ensure implementation of the arms embargo and closure of terrorist training camps by the Taliban, visited India from 12-14 April 2001. They also visited USA, Russia, Turkmenistan, Uzbekistan, Tajikistan, Pakistan, Iran and Belgium. In India, the Committee had meetings with a range of officials. The need for an effective monitoring mechanism to ensure full compliance and implementation of UNSCR 1333 was stressed. On 30 July 2001, the UNSC adopted resolution 1368 which put in place a two tier mechanism to monitor implementation of the sanctions embodied in UNSCR 1333. The mechanism comprises a five member New York based monitoring group and a 15-member sanction enforcement support team. India is fully committed to fulfilling its obligations under these resolutions.

On 14 November, the UN Security Council adopted resolution 1378 which while condemning the Taliban for allowing Afghanistan to be used as a base for export of terrorism, expressed strong support for the efforts of the Afghan people to establish a new and transitional administration leading to the formation of a government, both of which should be broad based, multi-ethnic and fully representative of all the Afghan people, committed to peace with Afghanistan's neighbours, which should respect human rights of all Afghan people, respect Afghanistan's international obligations, including full cooperation in international efforts to combat terrorism and illicit trafficking etc. The resolution called on all Afghan forces to refrain from acts of reprisal and affirms the central role of the UN in supporting the Afghan people to establish a new transitional administration.

Subsequently, after UN sponsored talks in Bonn came to a successful conclusion on 5 December 2001, the Security Council on 6 December adopted UNSCR 1383 welcoming and endorsing the agreement on transitional arrangements in Afghanistan, pending re-establishment of permanent government institutions. The resolution supports an enhanced UN role and involvement, particularly in the context of Special Representative of UNSG in advising the interim authority investigation of human rights abuses etc.

Decolonisation

As a founding member of the Special Committee on the situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples (C-24), India continued to play a useful and constructive role within it. As in the past, India participated in the Regional Seminar on Decolonisation

held at Havana, Cuba in May. The relationship between the administering powers and the committee, which in the past had been characterised by confrontation, has improved considerably in recent years. The committee has engaged the administering powers in discussions to develop concrete programmes of work for each non-self-governing territory.

Africa

The Open Ended Ad-Hoc Working Group of the General Assembly, established by the 54th session, continued to examine and monitor the implementation of the Secretary General's recommendations for Africa's development and for peace and security in the continent. India participated constructively in the work of the Working Group.

Peacekeeping

India continued to be among the largest troop contributors to UN peacekeeping operations in 2001, even after the withdrawal of its contingents from Sierra Leone (UNAMSIL), which began in December 2000, and was completed in February 2001. India is presently the fourth largest troop contributor.

At India's insistence, the Special Committee on Peacekeeping Operations and the General Assembly endorsed the view that a further strengthening of the Secretariat to help it backstop peacekeeping operations should be based on a comprehensive review of its capabilities, and not on ad hoc estimates without proper justification. Consequently, the Secretariat undertook an extensive review of its ability to conduct peacekeeping operations, based on a managerial study done by an independent consultancy firm. Maj. Gen. Inder Rikhye (Retd.) was an adviser to the firm and Lt. Gen. Satish Nambiar (Retd) was a member of a panel of external experts that reviewed its report. Based on these inputs, the Secretary General submitted his report to the General Assembly, and the Special Committee on Peacekeeping Operations met in a delayed session in June-July to consider it. India played a crucial role in discussions in the Special Committee and in arriving at a consensus report. The Secretariat was particularly grateful for this support.

An issue that has dominated discussions on peacekeeping in the UN has been the need to strengthen cooperation between troop contributors, the Security Council and the Secretariat, a cause that India has espoused for a number of years. As a fall-

out of the crisis in UNAMSIL (Sierra Leone) last year, the Security Council scheduled an open debate in January 2001 to hear the views of troop contributing countries. India's detailed statement during the debate formed the basis of various proposals submitted to the Security Council in this regard. The Council set up a Working Group on UN Peacekeeping Operations to consider these proposals and other generic peacekeeping issues.

In May 2001, India joined Canada, Argentina, Ghana, Jordan, Netherlands and New Zealand in submitting a proposal to the Security Council for the setting up of mission specific cooperative management committees comprising Council Members, major troop contributors and the Secretariat, for a particular mission. In June, the Security Council passed Resolution 1353, which sought to strengthen the partnership between the troop contributors, the Council and the Secretariat promised to consider proposals for a new mechanism of cooperation. The Working Group of the Security Council met regularly to consider such proposals and also interacted with proponents of a new mechanism. There was general appreciation for the forceful and forthright manner in which India championed the cause of troop contributing countries both in the Special Committee in Peacekeeping Operations and other relevant forums in the UN.

A National Seminar on UN Peacekeeping Operations was organised by the Indian Centre for UN Peacekeeping on 25 & 26 July 2001, to deliberate on the recommendations made by the Panel on UN Peace Operations headed by Lakdhar Brahimi. The Centre also conducted two training capsules for Military Observers, Staff Officers and Junior Officers with participation of foreign nominees.

UNMEE

India contributed over 1300 troops to the newly established UN Peacekeeping Mission in Ethiopia-Eritrea (UNMEE) between March and June 2001. The peace process between Ethiopia and Eritrea moved forward with the establishment of 25-Km wide Temporary Security Zone (TSZ) on 18 April 2001. A composite delegation, led by the Vice Chief of Army Staff, visited Ethiopia and Eritrea from 1-4 August 2001 to meet the Indian contingent deployed in UNMEE and to assess the ground situation.

UNIFIL

Major General L.M.Tewari, took over the charge of Force Commander of UN

Interim Force in Lebanon (UNIFIL) on 18 August 2001. India has contributed an Infantry Battalion with over 800 troops to UNIFIL since November 1998. The Vice Chief of Army Staff visited Lebanon to assess the local situation following UN decision to scale down the strength of UNIFIL.

UNMIK

A composite delegation from MHA and MEA visited Kosovo from 28-30 November 2001 to meet the personnel of Rapid Action Force (RAF) and Indian Civilian Police Officers deployed in the UN Mission in Kosovo (UNMIK) and to have assessment of the political situation, following the Kosovo-wide Assembly elections, with a view to India's continued participation.

Cooperation between the UN and the IPU

In its capacity as the country representing the Presidency of the IPU, India piloted the annual resolution on Cooperation between the UN and the IPU. India also led the efforts for a resolution which would give the organisation observer status in the General Assembly. The absence of consensus on various matters of detail, however, did not allow for the resolution to be adopted; the proposal will be considered again next year.

Economic Issues

At the 56th General Assembly, India continued to play an active role in the Second Committee of the 54th GA, which examined a range of macro-economic, environmental and development issues.

Poverty remained the main issue that was discussed under the agenda item, "Implementation of the First UN Decade for Eradication on Poverty". The resolution that was adopted expressed concern that the recent economic slowdown, particularly its adverse impact on developing countries, could hinder the realization of the goal of poverty eradication. The resolution called for the strengthening of international assistance to developing countries in their efforts to alleviate poverty.

As many of the macro-economic issues were being covered in the substantive agenda of the International Conference on Financing for Development to be held in Mexico in 2002, it was agreed that in the current GA session there would not be any substantive resolutions on these issues.

Similarly, discussions on the environment issues took place against the backdrop of the preparations for the World Summit on Sustainable Development to be held in Johannesburg, South Africa in September 2002. The resolutions on environment reiterated that all meetings and processes related to sustainable development, including the discussions of the proposed international - development governance should provide their inputs to the Preparatory Committee for the Summit for its consideration.

India participated in the triennial policy review of operational activities for development of the UN. The review, which is conducted every three years, is important as it considers policy issues relating to the operations of the funds, programmes and specialised agencies with the view to making them more responsive to the needs of developing countries and by addressing the question of mobilising increased resources.

The Third UN Conference on LDCs was held in Brussels from 14-20 May 2001. Permanent Representative of India to the United Nations in New York, Shri Kamallesh Sharma who led the Indian delegation, stated that the growing marginalisation of the LDCs in the world economy needed to be addressed frontally by the international community through support in capacity building, financial assistance and access to technology. He mentioned that, within the context of South-South co-operation, India had for more than four decades, constantly tried to increase mutually beneficial economic cooperation with all LDCs, in particular through its programme of economic and technical cooperation.

Pursuant to the decision at the Conference that there should be an efficient and a visible follow-up mechanism for the implementation of the Brussels Plan of Action, the UN General Assembly at its 56th session decided to establish the Office for the High Representative for the Least Developed Countries, the Landlocked Developing Countries and the Small Island Developing States.

India participated actively in the preparatory Committee meetings for the International Conference on Financing for Development, arguing for a positive and an action-oriented outcome of the Conference that would make available to developing countries adequate, predictable and stable finances for development.

The Fifth Meeting of Governmental Experts from Landlocked and Transit

Developing Countries and Representatives of Donor Countries and Financial and Developmental Institutions was held in New York from 30 July to 3 August 2001. India stated that co-operation between the landlocked and transit developing countries was pivotal for an effective response to transit transport issues and pointed out to the spirit of mutual respect and understanding permeates India's relationship with Nepal and Bhutan, its two landlocked developing neighbours.

The meeting recommended the convening of a Ministerial meeting on transit transport systems in 2003 and welcomed the offer of Kazakhstan to host the meeting. The UN General Assembly at its 56 session endorsed this decision.

Social, Human Rights and Humanitarian Issues

India participated actively in the meeting of the Commission on the Status of Women which was held in March 2001. The priority themes were to provide inputs for the World Conference on Racism and the Special Session on Children.

The Special Session of the World Summit on Children which was to be held in September along with the General Assembly, was postponed due to the terrorist attacks in New York.

India was an active participant in the debate on "social protection" at the Commission for Social Development, which was the priority theme for the Commission held in April 2001.

India was active in the Committee on Non-Governmental Organisations and chaired several sessions of its Working Group.

India was elected Vice Chair from the Asian region for the Preparatory Committee of the Second World Assembly on Ageing to be held in Madrid in April 2002.

India continued to work towards the achievement of a balance between civil and political rights on the one hand and economic, social and cultural rights on the other. India also continued to work against the practice of country spotlighting. It advocated the promotion of human rights as its best protection.

India also continued, under the umbrella of the Group of 77, to pilot the resolution on International Cooperation in humanitarian assistance on natural disasters, from relief to development. This resolution reaffirms the Guiding Principles of humanitarian assistance; recognizes the importance of the principles of neutrality, humanity and

impartiality of humanitarian assistance; stresses that humanitarian assistance in the field of natural disasters should be provided in accordance with and with due respect for the Guiding Principles and call on the Secretary General to consider mechanisms to improve the international response to natural disasters.

India participated actively in the meetings of the UN Commission on Human Rights, the Sub-Commission on Promotion and Protection of Human Rights and the Human Rights debate in the Economic and Social Council as also the UN General Assembly. India's participation in these was guided by its stature as the largest democracy in the world, its developing country status as also its commitment to the rule of law and the promotion and protection of human rights and its desire to promote a culture of tolerance and pluralism. It also called for depoliticization of human rights debates and promotion of cooperation, dialogue and national capacity building as the most effective means of promoting human rights. India also monitored closely developments relating to standard setting in the field of human rights.

India participated actively in the 57th Session of the Commission on Human Rights held from 19 March to 27 April 2001. The Indian delegation contributed in a meaningful manner to the deliberations in the CHR by engaging pro-actively on substantive issues as also by building consensus cutting across entrenched positions. India refrained from aligning itself with any 'coalitions', and its engagement with delegations across the board was issue based. India made statements under all major agenda items and these were well received and appreciated. India cosponsored 23 resolutions during the CHR meeting and participated in negotiations on all major resolutions. India also worked closely with the sponsors of the resolutions on "Human Rights and Terrorism" and on "Human Rights in Afghanistan". The language of the former resolution against terrorism was strengthened. In the case of the resolution on Afghanistan, India's efforts resulted in greater coverage of the human rights violations perpetrated by the Taliban regime.

India made a significant contribution both to the preparatory process of the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance as also to the Conference which was held in Durban (South Africa) from 31 August to 8 September 2001. The Indian delegation was an active participant in the meetings of two working groups and the second and third sessions of the Preparatory Committee which took place in 2001. India was also amongst a group

of 21 countries that was assigned the task of simplifying the complex draft document for the Conference. The work of this group made an important contribution to the preparatory process. The Indian delegation to the Conference was led by MOS(EA) and included five members of Parliament and senior officials. The delegation highlighted India's unflinching commitment to the struggle against racism and its contribution to the process of decolonisation and dismantling of Apartheid. Both during the preparatory process and the Conference, India's efforts were aimed at building consensus across the divides that emerged from time to time in a number of areas, particularly in regard to the Palestinian issue and issues relating to slavery, colonialism and compensation, etc. India also made a key contribution in ensuring that the focus of the Conference was not diffused through introduction of extraneous issues by vested interests.

A number of eminent Indians continued to serve with distinction as members of important Human Rights mechanisms and Treaty Bodies. These included, Shri Soli J. Sorabjee (Expert member of the Sub-Commission on Promotion and Protection of Human Rights), Shri Kapil Sibal (Chairman – Rapporteur of the CHR Working Group on Arbitrary Detention), Shri P N Bhagwati (Chair of the Human Rights Committee and Regional Adviser to High Commissioner for Human Rights for the Asia-Pacific region), Shri Abid Hussain (Special Rapporteur on the Right of Freedom of Opinion and Expression), Shri Arjun Sengupta (Independent expert on the Right to Development), Shri R V Pillai (Member of the Committee on Elimination of Racial Discrimination) and Shri Miloon Kothari (Special Rapporteur on the Right to Adequate Housing).

The UN High Commissioner for Human Rights (HCHR) Mrs. Mary Robinson paid an official visit to India from 15-19 November to receive the Indira Gandhi Prize for Peace, Disarmament and Development for the year 2000, at the hands of President Narayanan. During the visit, HCHR met Indian leaders and also inaugurated the Workshop for Judges on the Justiciability of Economic, Social and Cultural Rights in South Asia, organised by the Office of the HCHR and hosted by India on 17 & 18 November. Mrs. Robinson's visit took place against the backdrop of the 11 September terrorist attacks on the US and concerns expressed in various quarters regarding the need to protect human rights fully while enacting and implementing new legislation for dealing with international terrorism. India's concerns on the subject – particularly

as pertaining to India – as well as India's commitment to fight terrorism while protecting basic human rights, were highlighted during the interactions between Indian dignitaries and HCHR.

India participated actively in the 52nd session of the Executive Committee of the Office of the United Nations High Commissioner for Refugees in October 2001 and highlighted issues of concern to developing countries. India's statements identified tackling of widespread abject poverty and deprivation around the globe, enhancement of the capacities of developing countries and the link between humanitarian assistance and long-term development as key inputs to any preventive strategies in regard to refugee flows. India also highlighted its age-old commitment to humanitarian traditions and the protection provided by it to a large number of refugees since its independence.

Legal Issues

Pursuant to Resolutions 54/110 and 55/158 adopted by the General Assembly, the Ad Hoc Committee and the Working Group of the Sixth Committee on Terrorism continued their consideration of the draft comprehensive convention on international terrorism proposed by India. Agreement was reached on almost all the substantive provisions of the Draft Convention. However, differences continued on the exclusion clause (Article 18), and on the definition of offences (Article 2).

The Sixth Committee adopted the Report of the International Law Commission, the highlight of which was its finalization of the draft articles on State responsibility.

The Convention on the Assignment of Receivables in International Trade, negotiated in UNCITRAL, was adopted and opened for signature. UNCITRAL also completed work on the Model Law on Electronic Signatures and the Guide to Enactment. The question of expansion of the membership of the UNCITRAL was deferred to the next session as no agreement was reached on the distribution of seats among the regional groups. Two new working groups of UNCITRAL were established: on transport law and on security interests.

The General Assembly welcomed the decision of the States Parties to the UN Convention on the Law of the Sea to extend the ten-year time limit for making

submissions on the extent of their continental shelves under Article 76. It also decided to commemorate, on 9 & 10 December 2002, the twentieth anniversary of the adoption and opening for signature of the Convention.

India continued to participate in the open-ended informal consultative process, established by the General Assembly at its 54th session, to facilitate its annual review of developments in ocean affairs. At its second session in May 2001, the informal consultative process considered issues concerning marine scientific research and acts of piracy and armed robbery against ships.

Observer status in the General Assembly was extended to the International Development Law Institute, the International Hydrographic Organisation, and the Community of Sahelo-Saharan States. The question of grant of observer status for the International Institute for Democracy and Electoral Assistance, Partners in Population and Development, and for the Inter-Parliamentary Union were deferred to the next session.

Financial Issues

At the 56th General Assembly, India continued to be an important player in shaping the opinion of the G-77, and the Fifth Committee, on a wide range of administrative, financial and budgetary reform issues. Its constructive proposals won wide support, and helped build a consensus in the Committee.

The focus of discussions was on the regular budget of the United Nations for 2002-03. As against the current biennium budget of \$2.533 billion, the Secretary-General proposed an initial level of \$2.648 billion. Adjusted for inflation, exchange rate fluctuations, and Programme Budget Implications (PBIs) approved by the other Main Committees, this rose to \$2.695 billion. Although the developed countries, for the first time in recent years, came together under the banner of an ‘Expanded Group’ to propose a budget of under \$2.6 billion, the G-77 supported a proposal put forward by India that was eventually approved by the Fifth Committee with some amendments. The General Assembly eventually adopted a budget of \$2.625 billion for the biennium 2002-03.

After the United States repaid a part of its dues to the UN, the Government of India received some of the arrears owed to it for its participation in UN peacekeeping.

Operational Activities of the UN System/UN Funds and Programmes

India continued to play a significant and constructive role in the work of the UN Funds and Programmes. As a member of the Executive Boards of the UNDP/UNFPA and UNICEF, India ensured that these organisations continued to focus on their primary mandate to assist developing countries in their efforts, pursuant to their national development plans and priorities, for sustainable development, in particular, through projects directed at eradication of poverty; upliftment of women and ensuring better reproductive health services; and the needs of children. India ensured that CCA, UNDAF and harmonisation of procedures of different Funds and Programmes did not lead to the introduction of conditionalities in the programmes of developing countries and did not detract from the basic principle of nationally-driven programming.

Elections

- i) India was elected to the Executive Board of ECOSOC in the first round of voting, polling 145 votes. Among other Asian candidates to be elected were Bhutan, Qatar and China.;
- ii) India was elected as Rapporteur to the Bureau of the 75th CPR of the UNEP for the first year of the next biennium;
- iii) India, along with Philippines was elected unopposed and by acclamation from the Asian Group as member of the Programme Coordination Board of UNAids;
- iv) At the Resumed Session of the ECOSOC held in May, India was elected as a member of the International Narcotics Control Board (INCB) for one of the five seats from the general list of candidates. The other countries elected were Austria, Netherlands, France and Peru;
- v) India was elected to the Executive Council of the International Civil Aviation Organisation;
- vi) Dr. P.S.Rao, Additional Secretary(L&T) was re-elected to the International Law Commission at elections held in the UNGA in New York in November;
- vii) Shri Rajat Saha was re-elected without a vote to the Advisory Committee on Administrative and Budgetary Questions (ACABQ) of the UN at elections held in November;

- viii) India was elected, without a vote, to the Council of the International Maritime Organisations under Category B, at elections held in London in November; and
- ix) India was re-elected to the Executive Board of UNESCO at elections held during the General Conference of UNESCO in Paris. Hon'ble Shri T N Chaturvedi, M P, would represent India on the Board. India was also simultaneously elected to the World Heritage Committee and the Inter-Governmental Committee on Information for All.

Non-aligned Movement

The Ministerial meeting of the Non-Aligned Movement was held on 14 November, on the margins of the General Assembly. In his statement, Minister of External Affairs Shri Jaswant Singh stressed the need for unity within the movement to collectively address the global challenges such as terrorism, nuclear disarmament and poverty. Following Bangladesh's withdrawal of its offer to host the next NAM Summit scheduled for April 2002, India offered to host the Summit to save the Movement from a crisis. However, as some other Asian countries made offer to host the Summit, India withdrew its offer. Jordan's offer to host was accepted by the Movement.

Group of 77

The Group of 77 met throughout the year to prepare for meetings of the General Assembly, ECOSOC and other bodies. The Ministerial Meeting of the Group of 77 on the margins of the General Assembly was held on 16 November. India participated actively in these meetings.

ESCAP

Indian delegation to the 57th annual session of the Economic and Social Council for the Asia and Pacific was led by the Commerce Secretary. This year's session mainly focused on Social and Economic development issues, with the theme topic being "Balanced development of rural and urban areas and regions within the countries of Asia and the Pacific". Other important issues which occupied attention of the Commission were the financial crises currently being faced by some countries of the region and ongoing reform process of ESCAP. At the Annual Session, Spastic Society of Tamilnadu was awarded ESCAP HRD Award for the year 2000.

Other important ESCAP events held this year were the third committee meeting on Environment and Natural Resources Development held on 16-18 October 2001 at Bangkok; Second Ministerial Conference on Infrastructure held on 12-17 November 2001 at Seoul; Standing Committee Meeting of the Bangkok Agreement, and Thirteenth Meeting of the Steering Group of the Committee on Regional Economic Cooperation held on 20-22 November 2000 at Hanoi.

Specialised Agencies

International Labour Organisation (ILO)

The 89th session of the International Labour Conference held during 5-21 June 2001 discussed, inter-alia, the Global Report on forced labour under the follow up to the ILO Declaration on Fundamental Principles and Rights at Work. The Conference also adopted a Convention and Recommendations concerning safety and health in agriculture. The Indian delegation emphasised the need to take cognisance of resource constraints faced by developing countries and factors such as poverty and unemployment which hinder realisation of social goals embodied in ILO instruments.

The 282nd session of ILO Governing Body in November 2001 approved the creation of a World Commission to examine the subject of social dimension of globalisation. The Indian delegation played an active role in the discussions and urged the ILO to adopt a comprehensive approach while examining this matter, particularly covering the factors which prevented developing countries from benefiting fully from globalisation.

India chaired the experts meeting in May 2001 to draw up the ILO Code of Practice on HIV/AIDS and the world of work.

World Intellectual Property Organisation (WIPO)

During the Assemblies of the Member States of the WIPO in September 2001, India was re-elected a member of the important Coordination Committee for a further two years by virtue of its membership of the Paris Union Executive Committee. India provided useful inputs to WIPO in the fields of policy development, strategic planning and research. Indian experts participated in the WIPO Standing Committees on Information Technology, Law of Patents, Law of Trademarks, Industrial Designs and Geographical Indications, and Copyright and Related Rights and contributed

effectively in the discussions for creation of international obligations and norms for intellectual property protection in these areas.

UNESCO

The current Director General of UNESCO, Mr. Koichiro Matsuura, visited India in July. During the visit he met Minister for Human Resource Development, Minister for Culture and Tourism and several other leaders and officials. Several possibilities of enhancing future co-operation in areas such as infotech, ocean sciences, hydrology and water resources management, and enhancing literacy rates, were discussed. India also took an active part in the fourth meeting of Governmental Experts on the Protection of Under Water Cultural Heritage, held in Paris in July. A draft Convention on Protection of Under Water Cultural Heritage was formulated and was put up for approval before the General Conference of UNESCO in November this year. The Convention seeks to protect cultural heritage situated in territorial waters, EEZ, on the continental shelf and on the deep seabed. India, along with Australia and Argentina, managed to ensure that the role of coastal states and their rights under UNCLOS provisions were not diluted and were incorporated in the draft.

UNIDO

The 17th Session of the Programme and Budget Committee of UNIDO took place in Vienna in May. The Indian delegation played an active role in deliberations. Philippines withdrew its candidature for the post of External Auditor of UNIDO in India's favour, while Morocco did so in favour of South Africa. The 24th Session of the Industrial Development Board, UNIDO, was held in Vienna in June. Financial issues dealt with included the regular budget, scale of assessed contribution and the appointment of a new Director General – a post which went to Carlos Magarinos of Argentina. On the issue of the election of the External Auditor of UNIDO, the Indian delegation made determined efforts to ensure India's emergence as the consensus candidate, but to no avail. UK, Sweden and South Africa refused to withdraw in India's favour. The General Conference of UNIDO was held in December.

WHO

The 54th session of the World Health Assembly held during 14-22 May 2001 adopted important resolutions covering crucial public health topics such as HIV/AIDS, infant and young child feeding, the need to strengthen the role of nursing and

midwifery in health systems and global health security. In the Ministerial Round Table on the subject of mental health, the Indian delegation pointed out that it was important to focus not only on identification and treatment but also on prevention of mental disorders and promotion of mental health.

The second and third sessions of the WHO Intergovernmental Negotiating Body (INB) on Framework Convention on Tobacco Control (FCTC) were held in Geneva in May and November 2001 respectively. India is one of the six Vice-Chairs of the INB.

Commonwealth Matters

India was invited by the Commonwealth to become a member of the Commonwealth Ad-hoc Committee on Terrorism, in which India will be represented at the Ministerial level at its first meeting on 29 January 2002 in London. Other members are the Commonwealth Secretary General as well as representatives of Heads of Government with Ministerial rank of Australia, Bahamas, Canada, Malaysia, South Africa, Sri Lanka, Tanzania, Tonga and the U.K.

International Law and Developments

The negotiations of the draft Comprehensive Convention on International Terrorism (CCIT) proposed by India attracted enormous attention from the Legal and Treaties Division this year as the matter is placed before the plenary of the 56th Session of the UN General Assembly.

A record number of 167 delegations made statements on the item "Measures to Eliminate International Terrorism". While welcoming the Proposed Draft Comprehensive Convention on International Terrorism, the need for its early finalization and adoption was emphasized. In the General Debate, also the main focus was on the topic of terrorism. On the opening day of the session, the General Assembly adopted a resolution condemning the terrorist attacks.

Elections to the Finance Committee and the Legal and Technical Commission of the International Seabed Authority were held at its seventh session in July 2001. India was re-elected to membership of both the bodies. Additional Secretary, Legal and Treaties Division was also re-elected by the General Assembly as a member of the International Law Commission for a five-year term for the period 2002-2006. The International Seabed Authority, having adopted the Mining Code on Polymetallic

Nodules, is now considering issues relating to regulations for prospecting and exploration for polymetallic sulphides and cobalt-rich crusts in the registered pioneer investors for exploration of allotted sites in the international seabed area in accordance with the Convention, the Agreement relating to Part XI, and the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area (Mining Code).

Sixth (Legal) Committee of the UN General Assembly

The Draft Comprehensive Convention on International Terrorism (CCIT) has been under active consideration in the Working Group of the Sixth Committee since last year. During the current session, the draft CCIT was placed before the ad-hoc Committee (from 12-23 February 2001) and the Working Group of the Sixth Committee on Terrorism (15-26 October 2001). An agreement among the parties was reached on all the substantive provisions of the Draft CCIT. However, the Convention could not be finalized due to outstanding differences on the exclusion clause (Article 18). The Article on definition of offences (Article 2) is also outstanding, as its adoption has been linked to that of article 18.

Informal consultations, which continued after the meeting of the Working Group, also failed to resolve the deadlock on this issue. According to the draft, an offence is committed if a person lawfully and intentionally carries out an act intended to cause death or serious bodily injury to any person, or serious damage to a State or government facility, a public transportation system, or infrastructure facility with the purpose compelling a government or an international organization to do or abstain from carrying out any act. An accomplice of that person also commits an offence, as also any person who organizes, directs or instigates others to do so, according to the draft convention. The Convention would require States to make such acts punishable as serious offences under their laws and to either extradite or prosecute the accused persons. The draft Convention also provides for mutual legal assistance in investigations and prosecution. States would also be required to prevent installations and training camps in their territories, which are directed towards commission of terrorist acts in other countries, and to take necessary measures to prevent and suppress the preparation and financing of any acts of terrorism.

The Sixth Committee also had before it the following agenda items for consideration: United Nations Programme of Assistance in the Teaching, Study, Dissemination and Wider Appreciation of International Law; Convention on

jurisdictional immunities of States and their property; Report of the United Nations Commission of International Trade Law on the Work of its thirty-fourth session (UNCITRAL); Report of the Committee on Relations with the Host Country; Establishment of an International Criminal Court; Report of the Special Committee on the Charter of the United Nations and on the International Terrorism; Scope of legal protection under the Convention on Safety; of United Nations and Associated Personnel and the proposal for an International Convention against the reproductive cloning of human law.

The Report of the International Law Commission of the draft articles on the topic of State responsibility, one of the earliest topics identified for codification, was adopted. The draft Articles have been commended by the States for consideration. The item "Responsibility of States for internationally wrongful acts" will be taken up by the General Assembly at its fifty ninth session to consider the possibility of convening an international conference of plenipotentiaries to examine the draft articles with a view to convening a convention on the topic.

The Indian delegation made statements on the relevant items in the Sixth Committee in respect of the subjects of Charter Committee, Report of the International Law Commission, Report of the United National Commission on International Trade Law, scope of the Legal Protection under the Convention on Safety of United Nations and Associated Personnel, and on the grant of observer status to the Inter Parliamentary Union. India's delegation also made statements in the General Assembly on the items relating to international terrorism and the Law of the Sea.

Charter Committee

The Commission also completed its second reading of Draft articles on "Prevention of transboundary harm from hazardous activities" for which Additional Secretary, Legal and Treaty Division is the Special Rapporteur, and made substantial progress on other matters on its agenda, including the question reservation to treaties, diplomatic protection, and unilateral acts.

The resolution on implementation of the Charter provisions relating to assistance to third States affected by the application of sanctions, and its possible considerations in a working group of the Sixth Committee at the next UNGA was adopted.

The following Ad Hoc Committees have been established and will meet during 2002:

(a) to examine issues of substances arising out of the International Law

Commission's draft articles on jurisdictional immunities of States and their property, and the question of the convening of an international conference to conclude a convention on the subject.

- (b) to negotiate a mandate for the future development of an international convention to develop internationally binding legal norms in order to counter human cloning as a threat to human dignity.
- (c) To consider measures to strengthen the existing regime of the 1994 United Nations Convention on the Safety of the United Nations and Associated Personnel.

International Criminal Court

The Preparatory Commission has been considering the proposals regarding practical arrangements for the establishment and early coming into operation of the International Criminal Court. The Preparatory Commission has so far finalized the draft rules of procedure and evidence and elements of crimes, the draft Relationship Agreement between the Court and the United Nations, the draft Agreement on Privileges and Immunities, the draft Rules of Procedure of the Assembly of States Parties and the draft Financial Regulations. It is presently considering the question of the definition of aggression, the headquarters agreement, the first year budget of the Court and procedures for election of judges and prosecutors. In the present session, a resolution on the preparatory commission concerning the establishment of an international criminal court, which will hold two meetings of two weeks each, during 2002 was adopted.

UNCITRAL

A draft UNCITRAL Convention on the Assignment of Receivables in International Trade was adopted and opened for signature. The UNCITRAL's work on the Model Law on Electronic signatures and the Guide to Enactment were also completed.

Two new working groups of UNCITRAL were established on transport law and on security interests. The working group on transport law will consider issues concerning the scope of application of a possible future legislative instrument on the subject, including questions of the carrier's obligations, transport documents, freight, delivery to the consignee, rights of parties in the cargo during carriage, transfer of rights in goods, and time bar for actions against the carrier. The working group which is mandated to consider issues concerning an efficient legal regime for

security rights in goods involved in a commercial activity, including inventory, such as the form of security, assets which can serve as collateral, the degree of formalities to be complied with, an existence of security rights, effects of bankruptcy and the certainty and predictability of the creditor's priority over competing interests.

Oceans and The Law of the SEA

In the present session, a resolution was adopted welcoming the decision of the States Parties to the UN Convention on Law of the Sea to extend the 10 year time limit for making submissions on the extent of their continental shelves under article 76. The General Assembly also decided to commemorate, on 9 & 10 December 2002 at its next session, the twentieth anniversary of the adoption and opening for signature of the UN Convention on Law of the Sea.

International Law Commission

The International Law Commission at its 53rd Session held in Geneva in two parts from 23 April to 1 June 2001 and 2 July to 10 August 2001 completed its work on two important subjects:

- State Responsibility for Internationally wrongful Acts; and
- Prevention of significant trans-boundary harm arising from hazardous activities.

On the subject of State Responsibility, the Commission recommended that the draft Articles finalized by the Commission in their second reading be taken note of in the first instance by the UN General Assembly before States could decide upon the form in which these Articles could be adopted, for example either in the form of an international convention or in any other suitable form.

Participation of this Ministry in the Development of International Law

This Ministry has participated in the development of International Law through International Organizations, Inter-governmental Organizations and also by attending the following conferences:

- (i) The 40th Annual Session of the Asian African Legal Consultative Organisation (AALCO) which was held in New Delhi from 20-25 June 2001. Officers of the Division prepared briefs in various subjects that formed agenda of discussion during the session. Those items included: Matters relating to the International Law Commission; Law of the Sea; Status and Treatment of Refugees; Legal Protection of Migrant workers; Extraterritorial Application of National

Legislation; Sanctions Imposed against Third Parties; Jurisdictional Immunities of States and Their Property; the United Nations Conference on Environment and Development; Follow-up; Progress Report concerning the Legislative Activities of the United Nations and other International Organizations in the field of International "Trade Law; WTO as a Framework Agreement and Code of Conduct for the World Trade; International Terrorism; and Establishing cooperation against trafficking in women and children.

- (ii) The United Nations Commission on International Trade Law (UNCITRAL), which seeks to harmonize the evolving principles of international trade laws relating to insolvency and conciliation. UNCITRAL's Working Group on Arbitration, which met twice this year (in May 2001 and November 2001), finalized and submitted 15 draft Articles along with a draft Legal Guide to Enactment on the Model Law on International Commercial Conciliation. India was elected as the Rapporteur for the 35th Session of the Working Group held in November 2001, which finalized these draft Articles.
- (iii) Thirty-fourth Session of the UNCITRAL which was held from 25 June to 13 July 2001 in Vienna (Austria). The Commission considered issues relating to ongoing and future work viz., Draft Convention on Assignment of Receivables in International Trade; Model Law on Electronic Signatures; Insolvency Law; Possible Future Work on Transport Law; Possible Future Work on Security Interests; Possible future Work on Privately Financed Infrastructure Projects; Enlargement of the Membership of the Commission; and Working Methods of the Commission.
- (iv) The Meeting of the Ad-hoc Working Group on Fire Arms Protocol held in Vienna from 26 February to 2 March 2001.
- (v) First and Second Sessions of the 4th Meeting of the Governmental Experts to consider Draft Conventions on Protection of Underwater Cultural Heritage in Paris from 26 March to 6 April 2001 and 2 July to 7 July 2001. On 7 July 2001 the

draft Convention was finalized and later it was adopted by the General Conference of the UNESCO on 29 October 2001.

- (vi) The 40th Session of the Legal Sub-Committee of the UNCOPUOS held in Vienna, Austria from 7-12 April 2001.

This Ministry organized a one-day Seminar on International Humanitarian Law (Law of Armed Conflict) in collaboration with the Regional Delegation of International Committee of the Red Cross, New Delhi on Wednesday, 5 September 2001, at the Samrat Hotel, New Delhi. This Seminar provided an opportunity to the participating officials from various Ministries and Departments of the Government of India to discuss, in an informal and academic setting, the relevant issues regarding application of humanitarian law.

This Ministry participated in the negotiations of extradition treaties with Germany, Turkey and Mongolia, Malaysia, Italy, Spain and Philippines, out of which the texts of treaties with Philippines and Malaysia have been finalized and are pending for signature. The finalized treaties with Germany, Turkey and Mongolia were signed. This Ministry also participated in the negotiations for agreements on mutual judicial cooperation in criminal matters with the foreign countries. The agreements signed as a result of negotiations in this area include with United States of America, Tajikistan and Mongolia.

The Ministry also participated in the negotiations for concluding Bilateral Investment Protection Agreements with China, Cyprus, Saudi Arabia and Yugoslavia.

Ministry has participated in the workshop on the "Credibility of Refugee Status" in light of the 1951 Convention on Status of Refugees organized by the UNHCR at San Remo, Italy in May 2001.

India has signed/ratified many multilateral/bilateral treaties/agreements entered into by India with foreign countries during the year. The list is placed at Appendix IX. A list of Instruments of Full Powers issued during the year 2001 for signing is at Appendix X and a list of Instruments of Ratification is at Appendix XI.



10

Foreign Economic Relations

Economic Division

The Economic Division provided a standard backstopping arrangement and a nodal point for addressing the concerns of Indian exporters and industry by constantly providing and seeking timely inputs to and from Indian Missions. The information dissemination also related to inquiries from Indian Missions and providing to them the informational wherewithal to carry out their economic and commercial functions effectively. These ranged from simple trade inquiries, to details about Indian policy, legislation and procedures on various aspects of trade and investment. The Ministry upgraded its information base by introducing new databases on Indian economy, trade, investments, technology related aspects and opportunities for Indian companies abroad and foreign investors in India.

The Ministry rendered valuable assistance in the trade promotion efforts of government bodies and industry associations in promoting the participation of foreign business in Indian trade fairs and Indian business in foreign trade fairs, seminars, road shows, buyer seller meets etc. India's trade and economic relations with other countries continued to register steady growth. During the year the Ministry of External Affairs and Indian Missions abroad interacted with and assisted business and industrial houses in promoting foreign trade and Indian investment abroad.

Being the export promotion cell of the Ministry, Economic Division received a number of trade complaints both from Indian and foreign companies which were promptly attended to in consultation with Indian missions and agencies concerned with trade and commerce.

The Ministry was associated with a number of economic policy making bodies, both inter ministerial and public sector undertaking/industry associations. This enabled the Ministry to provide the political as well as larger regional and global perspectives on policy issues from the vantage point of having direct contact with and knowledge of comparable policies and issues in other countries.

The European union continued to be India's principal trading partner. The other major trading partners were the USA, Japan, China, Brazil, UAE and Russia. Major commodities of Indian exports included agricultural and allied products, marine products, iron ore, leather goods, gems and jewellery, drugs and pharmaceuticals, chemicals and related products, engineering goods, electronic goods and textiles.

Exchanges of trainees between India and other developing countries under the Colombo Plan and Technical Co-operation Programmes continued. The Ministry continued to interact closely with various governmental and other bodies in the matter of promoting exports and overseas investments. It was represented in the governing bodies of organisations, such as, OCCI, ITPO, IRCON Ltd., WAPCOS and ONGC Videsh Ltd.

India utilised surplus stocks of wheat for exports, mostly to African and a few Asian countries on a grant basis. These are Egypt, Republic of Yemen, Oman, Libya, Ethiopia and Eritrea, Bangladesh, Ghana and Madagascar. Emphasis was laid on timely and quality supply at fair prices.

The single largest item in India's export basket was diamonds. India being the largest exporter of cut and polished diamonds in the world. Diamond exports from

India multiplied 1200 times in a span of 30 years. India processes nearly 70 per cent of the rough diamonds mined in the world and contributes to 50 per cent of the world diamond market in value terms.

India made great strides in the pharmaceuticals industry and is now one of the leading exporters of pharmaceuticals. Indian medicines and formulations penetrated markets in all the developed and developing countries of the world. Though growth in the export of Indian pharmaceuticals in recent years was quite impressive, Indian pharmaceutical exporters encountered difficulties in registration of Indian drugs and non-tariff barriers.

Export promotion activities included the holding of a number of trade fairs, exhibitions and seminars both at home and abroad. Indian companies and enterprises participated in several trade promotion events abroad. Indian Missions abroad made all possible efforts to ensure wide participation of foreign enterprises in trade promotion events in India and for Indian enterprises in events abroad. The Missions themselves organised a number of trade fairs/exhibitions with a view to promoting India's exports.

With the Ministry's support CII organised the Second International Conference on "India: Tourism and Heritage – Challenges of 21st Century" from 18-20 October 2001 in New Delhi.

India and Indonesia signed an agreement on cooperation in information technology, the construction of a sugar mill, the development of off shore oil rigs and gas drilling during the visit of Prime Minister Shri Atal Bihari Vajpayee to Indonesia this year.

A delegation from the Confederation of Indian industry (CII) visited China from 18-24 November 2001 to promote the export of an entire range of agriculture related products i.e. from tractors to food processing and milk products etc.

The Ministry continued its policy of supporting and promoting Indian investment abroad. The Government of India has been progressively simplifying the procedures for granting approval to proposal of overseas investment. The Ministry worked with other governmental bodies, business houses and Indian missions abroad to explore the possibilities of widening and expanding India's overseas investment.

After the May 1998 nuclear tests by India, the U.S.A. and some other countries had imposed sanctions on India but in September 2000, the U.S.A. lifted sanctions as did Japan. As a result of the lifting of sanctions, foreign and multilateral assistance would be available for developmental activities.

The Ministry was actively associated in providing inputs and international perspectives as well as political - economic assessment in deliberations of various Joint Business Council/Joint Commission Meetings.

The Ministry has been contributing to management and prevention problems and issues affecting Indian trade. The division actively participated in coordinating efforts of the concerned Ministries, EPCS and trade associations along with those of the Missions to urgently take up the issues at the appropriate fora to safeguard the interests of Indian exports.

Multilateral Economic Relations

During the year under review, India continued to press for the legitimate interests of developing countries in various international organisations and multilateral, regional and sub-regional groupings. India emphasised important economic and financial issues, such as redressal of the imbalances resulting from the various Uruguay Round Agreements, reform of the international financial architecture, strengthening of the multilateral trading system with a focus on developmental issues, etc. India stressed the importance of cooperation among developing countries on economic, financial and technical issues through speedy implementation of agreed projects and work programmes. Besides, India flagged attention to the need for a mechanism for a sustained and structured North-South dialogue on issues relating to trade, investment, technology flows and aid.

At the annual Summit of the Group of Fifteen (G-15), held in Jakarta on 30 & 31 May 2001, India played an active role. Vice President, Shri Krishan Kant, who led the Indian delegation pointed out the problems being faced by developing countries by the slowing down of the leading world economies, and the outstanding implementation problems relating to the various Uruguay Round Agreements. On investment issues, India drew attention to the fact that investors seemed generally oblivious to the development needs of the host countries. At the retreat for the Heads of State and Government, where the theme was North-South Dialogue, Vice

President forcefully articulated India's views, including the need for a structured dialogue at the level of Trade and Foreign Ministers between the G-15 and G-8.

The principal theme of the G-15 Summit pertained to the use of information and communication technologies (ICT) for development. The main Summit was preceded by meetings at the level of Trade and Foreign Ministers, where India was represented by Commerce Secretary, and then Minister of State for External Affairs, Shri U.V. Krishnam Raju, respectively. Venezuela assumed the Chairmanship of G-15 from Indonesia at the Summit. The member countries expressed concern at the global economic slowdown, and called for the reform of the International Financial Architecture in order to ensure more stable global financial markets and stable and sustainable private capital flows to developing countries. The group also reiterated its commitment to an open, just and equitable multilateral trading system, rejected the inclusion of non-trade issues in the WTO agenda, and highlighted the urgent need for implementation of the Uruguay Round Agreements. It was felt that trade should not be seen as an end in itself but rather as an instrument of development, and development objectives accorded higher priority in the WTO vis-à-vis the purely trade-liberalisation objectives per se. Industrialised countries were urged to eliminate tariff and non-tariff barriers to products and services of export interest to developing countries, particularly in textiles, agriculture and services. The G-15 also underlined the imperative need to review the TRIPs agreement to ensure that it did not conflict with the objective of promoting public health. It was further decided to set up a G-15 Task Force on ICT for Development.

A G-15 Trade and Information Technology Exhibition was held on the margins of the Summit. A number of reputed Indian companies participated, for instance, HMT, NIIT, Aditya Birla Group. The Indian companies were able to have fruitful contact with their counterpart companies in Indonesia.

The G-15 Summit also decided to establish a G-15 Commission to identify practical measures for increasing the efficiency of the G-15 in implementing its decisions. At the G-15 Foreign Ministers' Meeting, held subsequently in New York on 15 November 2001, the Commission was constituted as an open-ended 9-member body at the level of the Personal Representatives of the Heads of State and Government. The members are: Algeria, Brazil, India, Indonesia, Malaysia, Zimbabwe, Nigeria, Peru and Venezuela.

India continued to participate actively in all endeavours of the Group of 77 (G-77) aimed at promoting South-South cooperation, in accordance with the Buenos Aires Plan of Action on Technical Cooperation among Developing Countries (1978), the Caracas Programme of Action on Economic Cooperation among Developing Countries (1981) and the San Jose Declaration and Plan of Action on South-South Trade, Investment and Finance (1997). The developments pertaining to globalisation of the world economy during the past few years only strengthen the rationale for intensifying G-77 cooperation. India supports G-77 activities that address issues of common concern to developing countries in respect of globalisation, reform of the international financial architecture, and monitoring the interests of developing countries in international organisations such as the WTO and the Bretton Woods institutions.

The 10th Meeting of the Inter-governmental Follow-up and Coordination Committee (IFCC-X) on Economic and Technical Cooperation among Developing Countries (ECDC/TCDC) of the Group of 77 (G-77) was held in Tehran on 18-23 August 2001. The meeting adopted the 'Tehran Consensus'. Reports on sectoral themes – Trade, Finance, Knowledge, Technology and TCDC; and, Food & Agriculture, Industrialisation, Energy & Raw Materials, were also adopted. It was agreed that the G-77 will convene meetings on these sectoral themes. At the meeting, India suggested that an inventory of ongoing ECDC/TCDC projects as well as proposals made in previous meetings of the South be compiled and the status of their implementation and the scope for rationalisation discussed. This would help the G-77 in arriving at a faithful assessment of our collective capabilities, which will ultimately translate into better implementation of South-South Cooperation projects.

The annual meeting of Foreign Ministers of G-77 was held in New York on 16 November 2001. The meeting adopted a declaration focussing on developmental issues, North-South Dialogue, etc. The forthcoming International Conference on Financing for Development, to be held in Monterey, Mexico, in March 2002 and the Summit on Sustainable Development, scheduled to be held on 2-11 September 2002 in Johannesburg also figured prominently in the discussions. Several countries also drew attention to the problem of high indebtedness of some developing countries.

India's linkages with the countries of South and Southeast Asia in economic, financial, scientific and technical issues were also strengthened, in pursuance of

India's 'Look East' policy. At the sub-regional and regional levels, cooperation under BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka Thailand – Economic Cooperation), MGC (Mekong-Ganga Cooperation), and under the ASEAN-India Dialogue Partnership was carried forward.

The MGC, which comprises India, Thailand, Myanmar, Vietnam, Lao PDR and Cambodia, is an initiative launched in Vientiane in November 2000 for cooperation in Culture, Tourism, Human Resource Development, and Transport and Communication. India participated in the 2nd MGC Ministerial Meeting, held in Hanoi on 28 July 2001, where the Hanoi Programme of Action for MGC was adopted. This Action Programme draws up the work programme for six years in the areas identified for cooperation under the MGC. In his statement, Deputy Chairman of the Planning Commission, Shri K.C. Pant, who led the Indian delegation, offered cooperation in projects relating to flood control and management, the setting up of a Museum of Traditional Textiles in Cambodia, teaching of English, and in other fields such as museology and conservation. India also offered free space to MGC countries to participate in the World Book Fair and the Handicrafts and Gifts Fair held annually in New Delhi. The Meeting also recognised the importance of making adequate provisions for financing cooperation projects.

Cooperation in BIMST-EC, a sub-regional economic cooperation grouping of countries on the rim of the Bay of Bengal, forms an important component of India's 'Look East' policy, and represents the reinforcement of India's relations with two of its South Asian neighbours and its link with ASEAN. India participated in the 4th BIMST-EC Ministerial Meeting, held in Yangon on 21 December 2001. Minister of State for Commerce & Industry, Shri Rajeev Pratap Rudy led the Indian delegation. The meeting undertook a comprehensive assessment of BIMST-EC, including the status of functional cooperation in the six sectors of Energy, Fisheries, Technology, Tourism, Trade & Investment, and Transport and Communications. Allocation of Lead Country functions was reorganised – the Lead Country for a particular sector has the responsibility for coordinating cooperation in that sector. India is the Lead Country for the Tourism and Transport and Communication sectors.

Ministers also stressed the importance of the proposal for a BIMST-EC Free Trade Area, which will be considered further in a meeting scheduled in New Delhi on 17-18 January 2002. An important BIMST-EC project in tourism is the Visit BIMST-EC

Year in 2003. The need for BIMST-EC to strengthen its linkages with business and industry, and academia, was emphasised. It was felt that the BIMST-EC Business Forum and the Economic Forum should meet regularly in order to promote the participation of the private sector in BIMST-EC projects and activities and interaction between governments and the private sector. BIMST-EC has also proposed strengthening linkages among think tanks in BIMST-EC with the Research and Information System for Non-aligned and other Developing Countries (RIS), New Delhi, taking the lead in this direction. Issues concerning the structure and frequency of BIMST-EC meetings were also considered. It was felt that future Ministerial meetings should be held at full Ministerial level, as against the Minister of State level at present. The issue of funding for BIMST-EC projects received attention. It was decided that some BIMST-EC projects would be selected, for which possibilities of external funding, especially from UNESCAP (United Nations Economic and Social Commission for the Asia and Pacific) and Asian Development Bank (ADB), would be explored. Also, the need for establishing a permanent secretariat for BIMST-EC would be studied. In the field of BIMST-EC cooperation in non-conventional energy, India announced that it would give equipment and technical expertise to Myanmar for setting up a bio-mass gassifier project in Myanmar, and also depute experts to assist Myanmar in setting up the BIMST-EC Energy Information Centre, which will serve as a basic database on energy issues for BIMST-EC.

Deputy Chairman, Planning Commission, Shri K.C. Pant led the Indian delegation to the ASEAN-Post Ministerial Conference (PMC) 10+10 and 10+1 meetings, held in Hanoi from 26-28 July 2001. The main issues for discussion at the ASEAN PMC 10+10 Meeting were the global economic slow down and the Initiative for ASEAN Integration (IAI), launched by ASEAN to bridge the intra-ASEAN developmental gap and to promote the integration of the new members into ASEAN, namely, Cambodia, Lao PDR, Myanmar and Vietnam (CLMV). India expressed its commitment to the IAI and offered to extend its cooperation in respect of programmes connected with the CLMV. At the 10+1 Meeting, ASEAN appreciated India's commitment to ASEAN and India's keenness to promote linkages with ASEAN in diverse fields. ASEAN also appreciated India's focus on the IAI, especially in relation to projects in IT, HRD and S&T for the CLMV countries. In his statement, Shri K.C. Pant outlined a portfolio of cooperation projects covering biotechnology, teaching of English, Computer literacy, advanced

materials, technology competitiveness, space imagery for flood forecasting and control, health and pharmaceuticals, commercialisation of indigenously developed technologies, etc. He also proposed a joint meeting of the Trade Ministers of ASEAN countries and India for the promotion of trade and investment linkages. India's offer for cooperation in such a broad range of activities was highly appreciated by ASEAN, more so because the projects mentioned were specific, relevant and concrete, emphasising a practical turn of mind.

The Minister of Foreign Affairs of Vietnam, Mr. Nguyen Dy Nien, delivered a lecture in New Delhi on 15 September 2001 under the ASEAN-India Eminent Persons' Lecture Series Programme on the topic 'ASEAN-India Dialogue Relations: Present and Prospects'. The lecture was well-received and the audience, which included eminent persons from industry, academia and the diplomatic corps, found his remarks very illuminating.

India participated in the 6th ASEAN Science and Technology Week, held in Brunei Darussalaam from 17-21 September 2001. The event was attended by about 300 participants from both ASEAN and its Dialogue Partners. The Indian delegation presented papers in the areas of advanced materials, space applications for disaster management, Ayurveda and medicinal plants and natural dyes, as well as on Technology Management for Global Competitiveness. In the S&T Exhibition, India displayed about fifty products developed and commercialised indigenously: e.g., natural dyes, high-technology titanium products, composite materials and ceramics, etc. The event afforded India a good platform for disseminating information among the ASEAN countries in its S&T achievements and for showcasing its technological capabilities through such products.

India's growing and diverse interaction with ASEAN led to the adoption of a proposal by the seventh ASEAN Summit, held in Brunei on 5 & 6 November 2001 to hold the first ever India-ASEAN Summit. India has welcomed the ASEAN decision, which would mark a major milestone in India-ASEAN cooperation.

The Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) is a regional cooperation initiative aimed at expansion of trade and investment among the countries of the Indian Ocean region. IOR-ARC was established in Mauritius in March 1997 and at present consists of 19 members: Australia, India, Kenya, Mauritius,

Oman, Singapore, South Africa, Indonesia, Madagascar, Malaysia, Mozambique, Sri Lanka, Tanzania, Yemen, Bangladesh, Iran, Seychelles, Thailand and United Arab Emirates. India is a founder member. India is coordinating a number of IOR-ARC projects and continued to play an active role in the various IOR-ARC programmes and activities.

The Third Meeting of the Council of Ministers of the (IOR-ARC) was held on 7 & 8 April 2001 in Muscat, Oman, preceded by the meetings of the Committee of Senior Officials, the Working Group on Trade and Investment, the Indian Ocean Rim Business Forum (IOR-BF) and the Indian Ocean Rim Academic Group (IOR-AG).

At the meeting, Oman assumed the Chairmanship of the IOR-ARC from Mozambique for a period of two years. The Meeting recognised the need, among other things, to consolidate the organisation from within, particularly in identifying and prioritising the areas of co-operation in line with the core trade and investment agenda of the Association. The Meeting considered the Work Programme of the IOR-ARC, consisting of cooperative projects under the IOR-AG, IOR-BF and the WGTT. It was decided to establish a High-Level Task-Force (HLTF) to study the future direction of IOR-ARC, organisational structure and funding of the Secretariat, including the modalities for contribution by the member states, and the Rules and Procedures for the appointment of the Director, etc. Noting that trade facilitation was one of the main pillars of trade expansion in IOR-ARC region, the meeting discussed new areas of cooperation in trade facilitation, such as identification of non-tariff barriers, simplification of visa procedures for businessmen, study on FDI and Agricultural Trade and Liberalisation, etc. India's proposal to hold workshops on the use of IT and e-commerce in trade facilitation was noted.

India also offered to hold workshops on maritime transport issues, and disaster mitigation & management. The meeting noted the ongoing projects of IOR-Business Centre and IORNET, as well as future projects by the IOR-BF on information, and communication technology, e-business, training/ re-training and skill development, and entrepreneurship development. Energy was identified as an important area of cooperation for securing stable economic growth, in view of the growing demand for energy resources, mainly fossil fuels, in the region. Iran was designated as the lead country for preparing a compendium, including information on investment

capacities and requirements in this area. The meeting welcomed the IOR-BF's proposal of "Strategic Vision of the IORBF" over the period 2002-2007 to chart out the perspective of the business sector on ways and means to further cooperation. The new activities proposed by the IOR-AG were welcomed. These include projects on Promotion of Trade Generating FDI among IOR-ARC Countries, with Special Reference to Intra-IOR-ARC Sources of Outward Investment, Study on Marine Pollution, etc.

India's interactions with the Organisation for Economic Cooperation and Development (OECD) also increased considerably in the year under review, with India obtaining membership of the OECD Development Centre (ODC). The OECD has initiated a dialogue with emerging economies on important economic and trade issues. India participates in the OECD Special Dialogue with non-member economies and in several OECD events pertaining to SMEs, taxation, global biodiversity, agriculture, corruption, competition policy, harmful tax practices, etc. India also attended the Meeting of the Advisory Board of the ODC in Paris on 3 December 2001.

Technical Cooperation

The Technical Cooperation Division offers technical assistance under the Indian Technical and Economic Cooperation (ITEC) Programme and the Special Commonwealth African Assistance Plan (SCAAP) to developing countries in Asia, Africa, Latin America, Eastern Europe, Central Asia, Gulf and the Pacific Island countries. For the purposes of this report, reference to ITEC will also include SCAAP (under which only Civil Training is imparted). The various fields covered under the programme are Animal Husbandry, Audit and Accounts, Banking & Finance, Diplomacy, Drugs and Pharmaceuticals, Educational Planning and Administration, English Language, Entrepreneurship, Food Processing, Human Resource Planning, Information Technology Journalism & Mass Communication, Labour Administration and Employment relations in a global economy, Manpower Planning, Management, Oceanography, Packaging, Remote Sensing, Parliamentary studies, Rural Development, Small Scale Industries, Sugarcane Production technology, Standardisation, Small Business Development, Telecommunications, Textile Technology and Wild Life Management.

The Programme has earned goodwill for India and has boosted its image of having indigenous technological skills and capabilities. The demand for assistance

under ITEC from the developing countries has increased during the years. The budget allocation for the year 2001-2002 has been enhanced to Rs.31.18 crores as compared to Rs.30.00 crores last year.

The ITEC assistance is granted under the following four categories:

- i) Training (Both Civil and Military)
- ii) Projects and project-related assistance such as supply of equipment, consultancy services and feasibility studies
- iii) Deputation of experts
- iv) Study visits of senior officials/decision makers to India

Under the **Civil training**, expenses on tuition fees, living allowances, study tours, emergency medical assistance as well as return international air fares are borne by the Ministry of External Affairs.

During 2001-2002 (April-November) 779 slots have been availed of by various countries as against 1726 earmarked for the current year. List of courses offered under category "B" and "C" to foreign nominees under ITEC/SCAAP schemes of the Ministry of External Affairs are at Annexure XV. Annexure XVI is country wise position about the slots earmarked and utilised under ITEC Programme for the period April-November 2001. Annexure XIV is the expenditure statement for the Financial Year 2001-2002.

During the period under report, 427 slots have been utilised under Special Commonwealth and African Assistance Plan (SCAAP). Statement showing allocation and utilisation of Civilian training slots under SCAAP Programme from April to November 2001 is at Annexure XVII.

Under the **Military training**, nominees of friendly countries are imparted training in national institutions in all the three wings of defence services, including the prestigious National Defence College, New Delhi and National Defence Services Staff College, Wellington. Training covers fields such as Security and Strategic Studies; Defence Management; Artillery; Electronics, Mechanical, Marine and Aeronautical Engineering; Anti-marine Warfare; Hydrographic; Logistics and Management and Qualitative Assurance Services.

All Military training costs, including international travel, for ITEC-I Category

candidates are met by GOI. For ITEC-II category candidates, costs are partially covered under ITEC and partially (international travel) shared with the partner country. During 2001-2002, 535 slots for long and short term military training courses were offered under ITEC and Self-Financing Scheme. So far 235 slots have been utilised. On reciprocal basis nine slots were offered to USA, UK, France and Bangladesh and seven slots have been utilised. List of beneficiary countries of ITEC Military Training Programme are at Annexures XVIII to XXII.

Projects

Namibia

The India-Namibia Plastic Technology Centre(INPTC) has been established successfully at Ondangwa, Namibia under ITEC Programme at a cost of Rs. 340 lakhs by NSIC. All the ITEC experts deputed by NSIC for installation, commissioning and training jobs to their counterpart staff on machines and equipments supplied to INPTC have returned to India in June 2001 after successfully completing their job and handing over the Centre to the Namibian Development Corporation.

In connection with the proposal for setting up of a Cardiac Care Unit in Windhoek, Namibia, Prof. Talwar, Cardiologist, AIIMS, New Delhi was deputed for five working days w.e.f. 24 September 2001 to 28 September 2001 to Namibia for preliminary assessment and advising the Namibian Government in this regard.

Colombia

In connection with the supply and installation of a Solar Energy Unit to Colombia, two experts from Central Electronics Ltd.(CEL) were deputed for ten days w.e.f. 23 September 2001 to 2 October 2001 to Colombia for conducting the feasibility study. CEL has since submitted its feasibility study report in which they have estimated the cost of the project at Rs. 79.785 lakhs in addition to Rs. 8.00 lakhs to meet the expenses on deputation of three experts to Colombia for supervision of installation/commissioning etc. The proposal is currently under submission to Secretary(ER) for his administrative approval.

Iraq

The proposal regarding treatment of five Iraqi children with cardiac problems in AIIMS, New Delhi together with an escort each at an estimated cost of

Rs.10,13,265/- has been approved by Finance Division. Embassy of India, Baghdad and AIIMS, New Delhi has been informed accordingly.

Senegal

The implementation of the project work relating to setting up of the Entrepreneur and Technical Development Centre(ETDC) in Dakar, Senegal with Government of India's assistance, at a cost of Rs. 130.79 lakhs under G-15 Cooperation Programme has been completed by HMT(I) with the return of all the On the-job-Training (OJT) experts to India in June 2001. The Centre is ready for formal inauguration.

Ghana

Five HMT-5911 tractors along with spare parts and implements worth Rs.37,87,282/- have been handed over to the Government of Liberia through India's High Commission in Accra as technical assistance of the Government of India to the Government of Liberia.

Cambodia

The Government of Cambodia's request during the Vice President of India's visit, for India's renewed assistance for conservation, restoration and rehabilitation of one or more newly discovered temples in Angkor Vat, for which the Vice President had promised an early visit by a team from ASI, is under process.

Myanmar

The proposal regarding deputation of a three-member delegation from CSIO, Chandigarh to Myanmar to undertake repairs of scientific instruments of Myanmar Laboratories and Research Institutions in connection with the implementation of cooperation between India and Myanmar in the field of scientific and medical instrumentation is under process. The proposal has been approved administratively by Secretary(E). Finance Division's concurrence in principle has also been obtained.

Vietnam

The Government of India's grant of Rs. One Crore for supply of equipment to the Nuclear Training Centre at Dalat, Vietnam, announced by Prime Minister during his visit to Vietnam in January 2001 is under process with Finance Division, in consultation with the Department of Atomic Energy(DAE), Mumbai. Sanction has

already been issued for payment of Rs.52,97,373/- to DAE towards the cost of equipment to be supplied to the Nuclear Training Centre in Vietnam.

Indonesia

The proposal for the establishment of Vocational Training Centre(VCT) for Construction Sector at Jakarta, Indonesia (by NSIC) at an estimated cost of Rs. 388.90 lakhs is under process.

Zimbabwe

In connection with the project for development of Small Scale Industries in Zimbabwe at an estimated cost of US \$ 5 Million under G-15 Cooperation Programme between Government of India and Government of Zimbabwe. The proposal for deputing HMT(I) for conducting the feasibility study is under process.

Study Visits

Under the much sought after Study Visits Programme, senior decision makers from various partner countries are invited to India for exchange of views and guided exposure to Indian capacities in fields of interest to them such as small scale industries, agriculture, health, education foreign-trade etc. No study visits were planned between April-November 2001.

Indian experts are deputed abroad as advisors in response to requests from Government of developing countries for advice on technical and developmental subjects such as health, agriculture, engineering, teaching, accounts, small scale industries and legislation drafting etc. Over the years Indian experts have effected incremental improvement in vital developmental sectors of the economies of many

countries with their well considered advice which is generally respected for being most relevant to the needs and capacities of the developing economies. Expenses on deputing experts are shared with the host country although the larger share is borne by GOI. At present there are 23 long term experts in Lesotho, Seychelles, Laos and Jamaica and 4 short term experts were deputed to Mauritius.

Aid for Disaster Relief

Under the Aid for Disaster Relief (ADR) Programme, humanitarian assistance for victims of natural disasters in various countries is provided in the form of medicines, food items, tents, blankets, polythene sheets etc. Under this programme, medicines were supplied to Moldova worth Rs. 20 lakhs for the draught victims. Polythene sheets suitable for agricultural/farming purposes worth Rs. 2.04 crore were sent to the Government of DPR of Korea. US \$12,000 were contributed for construction of outdoor Sports Complex in Lebanon by Indian contingent to the UN Peacekeeping Mission. Humanitarian assistance in the form of medicines worth US \$20,000 was given to the Government of Sakha Republic of Russia.

Wood-working machinery (industrial equipments) worth Rs. 8.08 lakhs were donated to a vocational training centre located in Panama and wood-working machinery worth Rs. 29.55 lakhs was sent to St. Lucia near Guyana under ITEC Programme.



11

Trade and Investment Promotion

The Central Government and the State Governments took several initiatives and measures during the year aimed at encouraging foreign investment inflows, particularly the flow of Foreign Direct Investment (FDI) into India. Major thrust areas included infrastructure development, particularly energy, power, telecom and information technology. It was the task of the Investment Technology Promotion Division to actively undertake effective investment promotion and publicity efforts, particularly through the Indian Missions and Posts abroad for attracting foreign investment into the country. Quite often, Commercial Wings in the Missions are the first point of contact for the foreign investor. It is, therefore, essential that the Missions are given full back-up support in their efforts in the form of providing up-to-date information about the economy, the liberalised policies and the procedures, the project and opportunities available in different sectors, the incentives offered by the Central Government and various State Governments etc. Missions are also approached by investors seeking their intervention in case of delays in respect of clearances for their proposals or in respect of other hurdles faced in the implementation of projects. For all these and related matters the Investment Technology Promotion (ITP) Division in the Ministry acted as a nodal point of contact and coordination to serve as an effective channel of communication between the Missions and the relevant Ministries/State Governments or other agencies, as the case may be.

Policy

The Ministry provides inputs for policy formulations, whenever required, based on investment trends world-wide and based on the need to maintain harmony between foreign policy objectives and India's economic policies. Regular feedback was received from the Missions on foreign investor perceptions about India's investment policies or about successful model/policies followed elsewhere for serving as inputs to the evolution of any new policies or to the review of an existing one, if the same was considered necessary in the national interest.

The Ministry also actively participated in the meetings of Foreign Investment Promotion Board (FIPB) and Foreign Investment Implementation Authority (FIIA) in collaboration with the Ministries and State Governments. In FIPB, the Ministry was represented by Secretary(ER) and investments from NRIs were given particular attention. In FIIA, specific policy measures to speed up the investment were taken up with concerned Ministries and State Governments.

Promotional Efforts and Initiatives

The Ministry undertook several initiatives towards suitably projecting the various investment policies and announcements of the Government by coordinating with the Missions on the one hand and various economic Ministries of the Central Government and State Governments on the other. Weekly Economic News Bulletin highlighting major policy decisions and new opportunities were sent to all Missions

to keep them abreast of developments. Despatch of Weekly Economic News Bulletin by e-mail ensured fast and cost effective transmission. Missions were also encouraged to hold investment promotion seminars and workshops besides extending investment support services, for which suitable publicity material, speaking points etc. were regularly despatched. Such seminars were held by several of Indian Missions in identified target countries. Ministry also undertook special efforts to highlight the policies, procedures and opportunities available in the Information Technology sector.

The Missions also provided support to visiting Indian delegations including those sponsored by the State Governments by arranging suitable meetings with potential investors, local Government officials and the local Chamber of Commerce or Products Associations. After successful launching of INDIACHEM-2000, it was planned to organise INDIACHEM-2002 in September 2002. INDIACHEM was an Indian trade fair organised in New Delhi to promote and showcase the potential of Indian chemical industry. ITP Division functioned as the nodal point from the Ministry of External Affairs for promotion of INDIACHEM in foreign countries and assisted the delegation sent by Ministry of Chemicals & Fertilizers in arranging their meetings in foreign countries.

The Ministry also assisted, based on information provided by the Missions, visiting foreign investor delegations/groups in having appropriate meetings with concerned Government Departments, the Apex Chambers of Commerce, the State Governments etc. The Ministry also participated in many bilateral or other meetings/conferences involving overseas investor groups.

Publicity

The ITP Division was in the process of printing 30,000 copies of "India Business Opportunities" brochures. This was an updated version of last year's edition. The brochures were meant for distribution to potential foreign investors through Indian Missions on regular occasion and especially during VVIP visits.

Technology Aspects and Other Issues

JS(ITP) was a member of the IT Task Force of Ministry of External Affairs which

dealt with the issues related to IT implementation in MEA such as provision of computers to all sections, development of data bases of information in section, network within the section, networking at Division level, application software for networking and data bases, Internet and e-mail facilities, computers and internet facilities at the residence of joint secretaries and above, computerization of Missions, delivery of public services/websites, training etc. IT Task Force also dealt with implementation of minimum agenda for e-governance approved by High Powered Committee, an Inter-ministerial body coordinated by the Department of Administrative Reforms and Public Grievances. ITP Division further dealt with various technology related issues with potential international ramification such as cyber crime. ITP Division provided inputs to other Divisions on negotiations with other countries involving application of high-technology such as establishment of energy transfer through international pipeline. ITP Division was nodal the Division in the Ministry of External Affairs for promotion of tourism and acted as an interface between Indian Missions abroad and Department of Tourism and other agencies in India engaged in tourism promotion. Many Indian Missions organised India Food Festivals and other tourism promotion events. They maintained close contact with Government of India Tourism offices abroad.

Agreements

The Ministry participated in the negotiations for drawing up of Bilateral Investment Promotion and Protection Agreements (BIPPAs) and Double Taxation Avoidance Agreements (DTAAs) that were held in respect of a number of countries. During the year, BIPPA was signed with Croatia. India signed DTAA with Malaysia.

The Ministry also participated in the negotiations relating to Bilateral Civil Aviation matters with other countries. The Ministry provided legal inputs, as required, and also tendered advice based on the need for increased civil aviation links particularly without neighbouring regions to evolve in consonance with the initiatives being taken on the foreign policy front. During the year, Air Services Agreement/Memorandum of Understanding were signed with UAE, Switzerland, Tajikistan, Austria and Oman.

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12

Policy Planning and Research

The Policy Planning & Research Division serves as a nodal point for interaction with the National Security Council Secretariat (NSCS) formerly known as the Joint Intelligence Committee (JIC), the University Grants Commission (UGC) and its affiliates and the Area Study Centres (ASC) located in various universities and specializing in research on various regions of the world.

The Division extended financial assistance to various academic institutions/ think tanks located in different parts of the country for holding conferences, seminars, preparation of research papers, exchange of scholars and support for Track-II programmes on issues related to India's external relations and security. A list of seminars/conferences/meetings organized by institutions/NGOs partly funded by the Policy Planning & Research Division is given at Annexure-XII

The subject of these seminars, conferences and research projects covered Indian Ocean Island States, Racism, Conflict resolution, India and the Indian Diaspora, India and West Asia, Indian Ocean, Global terrorism and India's bilateral relations with countries like Japan, Korea, Israel, Malaysia, Singapore, Russia, Israel, Iran, China, Pakistan, Sri Lanka and Nepal. Support was also extended to Indian scholars/experts attending seminars, workshops and conferences in Korea and Brazil.

A separate budget head for funding the activities of CSCAP-India Committee was created this year. Regular meetings of the CSCAP-India chapter were held and financial assistance was provided to the delegates participating in various CSCAP meetings held in Kuala Lumpur and Wellington. A list of CSCAP meetings in which Indian delegates participated with financial assistance provided by PP Division, is given at Annexure-XIII.

PP Division also provided an annual recurring grant of Rs. 2 lakhs to the Centre for Advanced Strategic Study of India at the University of Pennsylvania, USA (CASI), an institute dedicated to the study of modern India. The Centre's main purpose is to create a unique institution aimed at linking American and Indian academics, professional and policy makers for potential scholarly, economic, technological and political cooperation. The annual grant to CASI is being provided since 1992.

To further strengthen Ministry's capabilities in research and analyses, the Division had last year prepared a detailed proposal for revival of the Research cadre as recommended by the Parliamentary Standing Committee on External Affairs. However, because of the existing policy of right sizing the bureaucracy, scaling down of non-plan expenditure and continued ban on creation of new posts, the proposal was not pursued further. Nevertheless, in view of the continuing relevance of the role of the Historical Division, it was recommended that the Division would be revived and headed by a Director under the overall supervision of Additional Secretary(PP).

The Research Section of the Division continued to edit and publish the Annual Report of the Ministry. The report served as a compendium of India's interaction with the rest of the world in the political, economic and cultural fields, including the views of the government on various facets of international relations.

The Division rendered all possible assistance to territorial divisions as well as Indian missions abroad whenever any specific information or documents on international relations was required. The Research Section examined the depiction of India's international boundaries in foreign publications. Cases of incorrect depiction

were taken up with the concerned government or the publisher through Indian missions abroad for necessary corrective measures. The division also scrutinized foreign publications containing maps depicting India's external boundaries before these were imported in to the country and offered its views to the Ministries dealing with the matter. It coordinated the supply of map-sheets to various Government and semi-Government agencies for use in their official work with the Survey of India and the Ministry of Defence. The Research Section dealt with requests from research scholars for access to the records of the Ministry.

There are about six lakh files, both classified and unclassified, lying in the Records Management section of the Ministry. RM Section has been sending old files for reviewing regularly to the concerned officers for taking a decision regarding retention or otherwise of these files. 2130 files which were no longer required have been destroyed by burning.

MEA Library

To support research, the Ministry's Library has modern information technology equipment and rich resource materials, with over one hundred thousand books and a large collection of maps, microfilms and official documents. The Library receives and maintains 600 periodical titles. It has in-house computer systems with fifteen terminals/computers, including some supporting data entry and retrieval in Hindi. Library has CD-ROM work station and CD-ROM databases on foreign affairs and current affairs. The Library is also equipped with a CD-Writer, a Colour Scanner (with OCR capability as well as facility for storage and retrieval of Images), a microfilm/fiche reader printer, plain paper photocopier, as well as a VTR and colour monitor and a laser printer with Desk Top Publishing (DTP) software. This has enabled better presentation of publications and documents of the Library / Division.

Documentation/Bibliographic Services as well as other library operations and services have been computerised, using an integrated library software package. Information on all books, maps, documents and selected periodical articles received in the Library since 1986 [and pre-1986 publications in active use] are available on-line through each terminal/computer in Main Library at Patiala House. Library's information databases can also be accessed on Internet by our officials both at Hqrs.

and in our Missions abroad on MEA Library's website: <http://mealib.nic.in>

The library's Internet facilities are being gradually made available to visiting users who include Research Scholars and former Foreign Service Officers. Library now also welcomes users to submit their reference queries while surfing Library's website or through e-mail. Answers to these queries where possible are sent through e-mail for faster response.

All new documents received in the Library -- books, maps, microfilms, selected articles from periodicals -- are being fed into the in-house computer system to create a database on foreign affairs. Using this database and CD-ROM Databases, the Library provides Current Awareness Service and Bibliographical and Reference Services. In addition, the Library regularly publishes:

- "Foreign Affairs Documentation Bulletin" -- monthly list of selected periodical articles mostly with abstracts,
- "Recent Additions" -- an annotated monthly list of publications added to the Library, and
- "Chronicle of Events", fortnightly.

CD-ROM Publication(s): MEA Library in cooperation with NIC has brought out a full text CD-ROM version of Annual Reports of MEA [from 1948 to 1998-99] and Foreign Affairs Record [from 1955 to 1999 (August)]. The information on the CD can be retrieved via combination of searches including search on any given word or combination of words. This CD-ROM version was prepared based on material available as on 1 January 2000. This CD can be consulted in the Main Library of the Ministry at Patiala House, New Delhi. Revised/updated version of this CD is planned to be issued once in two/three years.

Library users including research scholars are welcome to access Library's website or the on-line computer-based information in the Library at Patiala House, New Delhi in different databases, including CD-ROM Databases, and the Foreign Affairs Information Retrieval System (FAIRS). Photocopying and Computer Print-out facilities are also available to all Library users including research scholars.



13

External Publicity

The foreign policy priorities outlined in India's interaction and engagement with the major powers, India's neighbours, traditional friends and partners, and the crucial global struggle against terrorism governed the functions of the External Publicity Division.

The heightened global awareness of the scourge of terrorism following the events of 11 September 2001 enabled India as an active constituent country in the world coalition against terrorism to project in a serious and sustained manner, India's resolute determination and resolve to resist and eliminate terrorism. Emphasis was placed in this context, on the threat to peace, security, democracy and development by cross border terrorism operating against India in the wake of the terrorist attack on the Jammu & Kashmir Legislative Assembly of 1 October, and the terrorist attack on India's Parliament of 13 December 2001.

The Ministry was actively involved in the articulation of India's concerns and perspectives on terrorism, international peace, security and disarmament, and economic issues, and in building greater awareness and understanding of India's policies and national interest.

The Prime Minister's decision to resume dialogue with Pakistan, reflecting India's consistent desire to build a relationship of durable peace, stability and cooperative friendship with India's western neighbour and inviting Gen. Pervez Musharraf to India to walk the high road to peace together at the Agra summit in July 2001, was a bold and principled initiative. The Indian commitment to dialogue with Pakistan was widely recognized and applauded, both by world leadership and by media across the globe.

The year witnessed hectic diplomatic activity as was evident in the hitherto unprecedented degree of engagements of Indian leadership with world leaders including those from the USA, Russian Federation, UK, France and Germany. The interactions provided an opportunity for India to project her views and concerns on a gamut of issues and to give substance and ballast to the dialogue architecture drawn up with several key countries. The Ministry disseminated substantive information on major incoming and outgoing visits and on other significant events witnessed during the year. Fresh impetus was imparted to the traditionally close and time tested mutually reinforcing strategic ties with the Russian Federation with the return visit of Prime Minister Shri Atal Bihari Vajpayee to that country. Greater depth was added to India-US relations and wider understanding reached on the issue of counter-terrorism during Prime Minister's visit to Washington in November 2001. The visit to London before returning home from the U.S. gave Prime Minister an opportunity for further consultations on the Afghanistan crisis with the British Prime Minister. Prime Minister's visit to Japan highlighted that economic cooperation and strategic convergence were the touch-stones of bilateral relations. India and European Union continued to interact at the highest level during the Second India-EU Summit in New Delhi on 23 November 2001 in which the agenda was set to develop full potential of relations, address global challenges together and further economic and development cooperation. Anticipating the enthusiasm of the media, especially Indian, at the 11th SAARC Summit in Kathmandu adequate measures were taken by this ministry by way of exclusive Media Centre for the Indian media

contingent and regular briefings. Information to the Indian media which numbered nearly 200 was provided almost on full time basis.

11 September 2001 was a landmark in the history of modern world. India, having been a victim of state-sponsored cross-border terrorism for over two decades, condemned this dastardly crime of terrorism against humanity and reiterated its commitment to fight and defeat the menace of terrorism.

The Spokesperson's office held daily briefings in order to regularly articulate India's position in the wake of 11 September attacks. Formal and informal interaction with both the Indian and foreign media was held at various levels to project India as a leading member of the international alliance against terrorism. India's initiatives over the years to combat terrorism were also repeatedly highlighted as for example India's resolute efforts to see the conclusion of negotiations on the Indian initiative for a Comprehensive Convention Against International Terrorism (CCIT) and India's bilateral interaction with key countries on this issue.

Prime Minister's address to the nation wherein he stated that every Indian has to be a part of this global war on terrorism and that India must, and India will, stamp out this evil from Indian land, and from the world – was disseminated across the world through key print and electronic media organizations. Statements, interviews and press briefings by the Minister of External Affairs and the Minister of State as well as responses at official press briefings were widely circulated to all media as well as posted on Website of the Ministry of External Affairs.

India projected a holistic and positive approach for solving the crisis in Afghanistan and the establishment of a broad-based, multi-ethnic and fully representative political structure in post conflict Afghanistan. India's position was highlighted in consultations with world leaders including the UK Prime Minister Mr. Tony Blair, German Chancellor Mr. Gerhard Schroeder, the US Secretary of State Mr. Colin Powell, Secretary of Defence Mr. Donald Rumsfeld, Deputy Chairman of the Russian Federation Mr. Ilya Klebanov, Foreign Minister of Greece Mr. George Papandreou and the French Foreign Minister Mr. Hubert Vedrine who visited India, and the visits of Prime Minister Shri Atal Bihari Vajpayee to the Russian Federation, USA and the UK and that of the Minister of External Affairs, Shri Jaswant Singh to France, USA, Germany and to the UK. India's assistance and support for the reconstruction and rehabilitation of Afghanistan were welcomed universally.

The Official Spokesperson articulated and projected India's views and concerns on various national and international issues through official statements, daily press briefings and public/media relations efforts. Over 205 official statements and press releases were issued by the Ministry during the period 2001-2002 and circulated to Indian and foreign media, foreign missions in Delhi and posted on the Ministry's Website.

The Ministry's Website served as a vital tool for dissemination of information by the office of the Spokesperson. The Website was updated on a daily basis in regard to issues relating to foreign policy, records of daily briefings, news reports of interest, op-eds, speeches & interviews of dignitaries etc. New sections were created on the home page on important events giving detailed information including official statements, articles and opinions and related photographs. The Website was widely accessed both inside and outside India and hyper-linked to all Websites of all Indian Missions and Posts, Ministries as well as prestigious international agencies. In response to the technological developments in the international media environment, the Ministry took a special initiative to launch a weekly electronic newswire in December 2001. MEA Newswire is a weekly update of Government of India position on important foreign and national security issues. The Newswire targets apart from international and national media, eminent decision makers, think tanks and India watchers across the globe.

Given the mega media opportunities that arose during the year, increased numbers of foreign media teams visited India. The Kumbh Mela in Prayag attracted wide media attention the world over. On a more somber note, the earthquake in Gujarat also saw the media from all across the globe taking keen interest in reporting the devastation and reconstruction and rehabilitation. India's invitation to Pakistan's President and the Summit at Agra also evoked unprecedented interest, particularly amongst the international visual media. The terrorist strikes in New York and subsequent developments in Afghanistan generated numerous visits to Delhi, at all levels, from foreign leaders for consultations. International media also bolstered their presence in India to cover the war in Afghanistan. The India-EU Summit in November evoked significant media interest. The terrorist attack on Parliament also attracted a significant number of foreign journalists to India. The External Publicity Division was involved in providing facilities to the increased inflow of media persons covering all these events.

This Ministry processed the clearance of documentary proposals from foreign production houses and international TV channels. This year 307 proposals were received from all over the world. Nearly 300 of these proposals were cleared on receipt, while the others were at various stages of processing, awaiting approvals of other central and state Government departments. Steps were initiated to further simplify and streamline procedures involved in the clearance of documentary film proposals.

Under the Ministry's ongoing programme of familiarization visits, senior foreign journalists and editors were invited to the country for exposure to different aspects of contemporary India. The year 2001 witnessed the visits of 93 journalists, individually or as part of media delegations from various countries, including Indonesia, Malaysia, Egypt, Bahrain, Russia, Jordan, Mauritius, Cyprus, Brazil, Venezuela, China, Algeria, Nepal, South Korea, Kazakhstan, Pakistan, Armenia, Vietnam, Australia, Hungary, France, USA, Maldives, Mongolia, Zambia, Armenia, Uzbekistan and Saudi Arabia. These visits led to an increased and balanced coverage of India in foreign media as well as also to a better overall understanding of the country, this Ministry provided assistance to these journalists and facilitated their visit through logistics and liaison support.

Foreign media accompanying Heads of State or Government on visits to India were also facilitated in terms of accreditation, access, media coverage, arranging press briefings and providing all logistical arrangements. The country received VVIPs from Algeria, Mauritius, Greece, Lithuania, Colombia, Sri Lanka, Morocco, United Nations (Secretary General), Czech Republic, Norway, Russia, Tajikistan, Pakistan, Bhutan, Palestine, Germany, United Kingdom, Belgium, Thailand and China. VIP visits from Bhutan, Panama, Spain, Kazakhstan, South Africa, Russia, China, Croatia, Thailand, Palestine, USA, Japan, France, Commonwealth (Secretary General) and Canada were also facilitated on media matters. Several key representatives of the new interim regime in Afghanistan also visited India.

Similarly, this Ministry continued to also handle all logistical arrangements for Indian media persons accompanying the President, Vice President and Prime Minister on their visits abroad, including to Vietnam, Mauritius, Iran, Malaysia, Indonesia, Cambodia, Russia, USA, UK and Japan. External Publicity Division effectively contributed during these visits by way of setting up and operating media centres

and looking after all logistical arrangements for the Indian media - locally based and traveling with the VVIPs. Minister of External Affairs's visits to Syria, Egypt, USA, UK, Australia, Russia, Myanmar, France, Germany and Afghanistan were also facilitated. Besides, assistance was also provided to Indian journalists going abroad on specific assignments as on the goodwill visit to Iraq, and to the media covering the war in Afghanistan.

Over 300 foreign journalists of various foreign news agencies and organizations are serving as resident correspondents in India. An important aspect of external publicity work has been to provide accreditation facilities and other clearances for renewal of visas etc. to these journalists. With growing international media interest in India, as evidenced by the increased number of bureaus, work related to facilitation and process has been steadily increasing.

Audio-visual publicity was an important aspect of work relating to external publicity, involving the production of documentary films and purchase of audio-visual material for dissemination abroad.

During the year the Ministry undertook the production of several documentaries. These include films on the Indian diaspora in UK, Mauritius and East Africa, India's strides forward in information technology, the Indian Navy, India's civilizational heritage and linkages with South East Asia, Indian democracy, India's relations with South Africa, Bangladesh, UN and Europe.

In an unprecedented exercise, films were dubbed into various foreign languages for wider and more effective publicity. Most of the films were telecast on foreign TV channels on the occasion of India's Independence and Republic Day celebrations and on special Indian film weeks and festivals.

Special screenings of documentary films, "*Steps & Strides*", "*Indian Legends*" and "*Rasamanjari*" (films commissioned by MEA) were organized for the resident diplomatic community, foreign and Indian media and eminent persons from the world of art and cinema.

"*Rasikapriya*", a film produced by MEA received the best documentary film, best direction and best editing awards at the 48th National Films Awards held in New Delhi on 12 December 2001. The award was received by the Spokesperson & Joint Secretary (XP) on behalf of the Ministry.

Nineteen Indian feature film festivals/ film weeks were organized by various missions/ posts abroad namely, Thimpu, Brasilia, Saint Denis, Madrid, Caracas, Minsk, Buenos Aires, Budapest, Sofia, Nairobi, Baku, Damascus, Bratislava, Cairo, Hanoi, Moscow, Chicago, Dakar, and Berlin for which films were supplied by the Ministry. Special Retrospectives of Raj Kapoor and Guru Dutt films were organized by the Consulate General of India in Chicago.

Several Hindi feature films in Betacam format were acquired for telecast in Hungary, Egypt and Vietnam. Twenty three Indian films were procured for embassies in the Arab world for wide dissemination, given the popularity of Indian cinema in that region. A large number of films were purchased for gifting to Afghan TV in view of the popular demand for these films among the people of Afghanistan.

As a follow-up to the visit of Prime Minister to Mauritius, a 7.2 m C-Band Earth Station Antenna was gifted to the Mauritius Broadcasting Corporation.

Audio-visual material, including CD-RoMs on subjects like Indian wildlife, Indian history, music etc and audio and video CDs and audio cassettes of Indian classical film music were distributed to the Indian posts/missions abroad for the audio-visual libraries and for presentation purposes. A CD-RoM titled "India: Timeless Civilisation – a Vibrant Democracy" produced by MEA and dubbed in various foreign languages was also distributed to missions/posts abroad for presentation purposes.

Photographs and bio-profiles of President, Vice-President, Prime Minister and Minister of External Affairs were sent to various Missions. A set of 50 photographs on the life of Mahatma Gandhi were sent to High Commission of India, Canberra & High Commission of India, Mahe for organising a Photo Exhibition on the occasion of Gandhi Jayanti. A Photo Exhibition of the Bamiyan Buddhas and Albums on Buddhist Themes in Gandhara Art was prepared for presentation to the Maha Bodhi Sabha of Sri Lanka by Indian Mission in Colombo. A select bunch of film posters and stills have been mounted for the purpose of organising exhibitions on the 100 years of Indian Cinema. Photo exhibitions on India were specially prepared for key Missions in Europe, Asia & Africa.

The circulation of *India Perspectives*, the flagship magazine of the Ministry, remained steady at more than fifty five thousand copies in ten international languages during the year. The magazine was distributed through Indian Missions and Posts abroad every month. Although India's rich historical and cultural heritage forms the backdrop of the magazine, it is primarily focused on the rapid and giant strides being made by the country in the fields of science, technology and core sectors of the economy. The magazine also carried articles on the impact that ancient Indian civilization has had on various world civilizations, notably in Central Asia and Europe. The articles, encompassing all facets of life in India, were illustrated by impressive and aesthetic visuals.



14

Protocol

I. State Visits by Heads of State/Government/Vice-Presidents/Crown Princes to India

VISITS

Mr. Natsagiin Bagabandi, President of Mongolia

Sir Anerood Jugnauth, PM of Mauritius

Mr. Abdelaziz Bouteflika, President of Algeria

Mr. Konstantinos Simitis, Prime Minister of Greece

Mr. Valdas Adamkus, President of Lithuania

HRH King Mohammed VI, King of Morocco

Mr. Andres Pastrana de Arango, President of Columbia

Mr. Milos Zeman, Prime Minister of the Czech Republic

Mr. Jens Stoltenberg, Prime Minister of Norway

Mr. Emomali Sharifovich Rakhmonov, President of Tajikistan

Gen. Pervez Musharraf, President of Pakistan

Mr. Gerhard Schroeder, Chancellor of Germany

Pol. Col. Thaksin Shinawatra, Prime Minister of Thailand

The Rt. Hon. Tony Blair, MP, Prime Minister of UK

Mr. Zhu Rongji, Premier of the State Council of the People's Republic of China

DATE

1-5 January 2001

15-24 January 2001

24-29 January 2001

4-9 February 2001

19-23 February 2001

26 February – 3 March 2001

4-8 March 2001

11-15 March 2001

19-24 April 2001

9-12 May 2001

14-16 July 2001

28-31 October 2001

26-29 November 2001

4-7 January 2002

13-18 January 2002

Official Visits by Heads of State/Government/Vice Presidents/Crown Princes

Mr. Li Peng, Chairman, National People's Congress of China	9-17 January 2001
Mr. Arturo de Vallarino, First Vice President of Panama	1-6 February 2001
HRH Don Filippe de Borbon, Prince of Asturias	13-16 February 2001
Mrs. Chandrika B. Kumaratunge, President of Sri Lanka	22-25 February 2001
HRH Prince Jigme Khesar N Wangchuck, Crown Prince of Bhutan	20-31 August 2001
Mr. Yassir Arafat, President of Palestine	22 & 23 August 2001
The Rt Hon. Tony Blair, MP, Prime Minister of the United Kingdom of Great Britain and Northern Ireland	5 & 6 October 2001
Mr. Guy Verhoefstadt, Prime Minister of Belgium (2 nd India-EU Summit)	22-24 November 2001
Prof. Romano Prodi, President of the EC (2 nd India-EU Summit)	21-24 November 2001
Mr. Ranil Wickremesinghe, Prime Minister of Sri Lanka	22-24 December 2001

Private Visits by Heads of State/Governments/Vice Presidents/First Ladies

Ms. Nasreena Gayoom, First Lady of Maldives (to Chennai)	1-3 February 2001
HRH Princess Maha Chakri Sirindhorn of Thailand	2-16 April 2001
Mr. Mahendra Chaudhury, PM of Fiji	24 February to 2 March 2001
Mr. William J. Clinton, former President of USA	2-9 April 2001
Dr. Jose Arnaldo Aleman Lacayo, President of Nicaragua	20-25 July 2001
Mr. Yoshiro Mori, Former PM of Japan and Special Envoy of the Prime Minister	28-30 October 2001
Mrs. Johra Uteem, First Lady of Mauritius	29 December 2001-9 January 2002

Transit visits/halts by Heads of State/Government/Vice Presidents/Crown Princes.

President Rosette Eduardo dos Santos of Angola	27 & 28 January 2001
President Rosette Eduardo dos Santos of Angola	3 & 4 February 2001
President Chandrika B. Kumaratunge of Sri Lanka	22 March 2001
President Hugo Chavez of Venezuela	22 & 23 May 2001 (Mumbai only)

Official Visits by Foreign Ministers or Equivalent and other Dignitaries:

Mr. Anil Kumarsingh Gayan, Minister for Foreign Affairs and Regional Cooperation of Mauritius	4-9 January 2001
Mr. Chris Patten, EU Commissioner for External Affairs	25-30 January 2001
Mr. E. Idrissov, Foreign Minister of Kazakhstan	21-23 February 2001
Mr. Phil Goff, Foreign Minister of New Zealand	2-8 March 2001
Dr. NC Dlamini-Zuma, Foreign Minister of South Africa	12-15 March 2001
Mr. Kofi Annan, UN Secretary General	15-18 March 2001
Ms. Lila Hanitra Ratsifandrihamanana, Foreign Minister of Madagascar	25-28 April 2001
Mr. Tonino Picula, Foreign Minister of Croatia	2-5 May 2001
Mr. Igor S. Ivanov, Foreign Minister of the Russian Federation	3-5 May 2001
Mr. Jakaya M. Kikwete, Minister of Foreign Affairs and International Cooperation of Tanzania	23-26 May 2001
Dr. Surakiart Satirathai, Foreign Minister of the Kingdom of Thailand and Mrs. Satirathai	11-14 July 2001
Mr. Nguyen Dy Nien, Foreign Minister of the Social Republic of Vietnam and Mrs. Hoang Thi Dung	11-16 August 2001
The Rt Hon Don Mac Kinnon, Commonwealth Secretary General	12-14 August 2001
Mr. Ilya Klebanov, First Deputy PM of the Russian Federation	14-16 October 2001
Mr. Lyonpo Jigme Thinley, Foreign Minister of the Royal Kingdom of Bhutan	15-22 October 2001
Gen. Colin Powell, Secretary of State, USA	16 & 17 October 2001
Mr. Hubert Vederine, Foreign Minister of France	1 November 2001
Mr. GA Papandreou, Foreign Minister of Greece	2 November 2001
Mr. Jozias Van Aartsen, Foreign Minister of Netherlands	29 & 30 November 2001
Dr. Abdullah Abdullah, Foreign Minister (designate) of Afghanistan	12-19 December 2001
Mr. Shimon Peres, Deputy Prime Minister and Foreign Minister of Israel	7 & 8 January 2002

Private Visits by Foreign Ministers or Equivalent and other Dignitaries:

Mr. Chakra Prasad Bastola, Foreign Minister of Nepal	29 March to 4 April 2001
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Outgoing Visits by VVIPs From India

1. President of India

- | | |
|-----------------------|-----------------|
| 1. Visit to Mauritius | 9-12 March 2001 |
|-----------------------|-----------------|

2. Vice President of India

- | | |
|---|----------------------|
| 1. Visit to Indonesia (G-15) and Cambodia | 28 May – 5 June 2001 |
|---|----------------------|

3. Prime Minister of India

- | | |
|-----------------------------------|--------------------|
| i. Visit to Vietnam and Indonesia | 7-14 January 2001 |
| ii. Visit to Iran | 10-13 April 2001 |
| iii. Visit to Malaysia | 13-16 May 2001 |
| iv. Visit to Russia, USA and UK | 4-13 November 2001 |
| v. Visit to Japan | 7-11 December 2001 |
| vi. Visit SAARC, Nepal | 3-6 January 2002 |

List of Foreign Ambassadors who Presented their Credentials in the Year 2001

H.E. Mr. Yousef Hassan Yousef Al-Sai, Ambassador of the State of Qatar	9 January 2001
H.E. Mr. Jang Kwang Son, Ambassador of DPR Korea	9 January 2001
H.E. Mr. Alik L. Alik, Non-resident Ambassador of Micronesia with residence in Tokyo	9 January 2001
H.E. Mrs. Ana Maria Teles Carreira, Ambassador of the Republic of Angola	30 April 2001
H.E. Mr. Bandhit Sotipalalit, Ambassador of the Kingdom of Thailand	30 April 2001
H.E. Mr. Eloy Valdes Espinosa, Ambassador of the Republic of Cuba	30 April 2001
H.E. Mr. Daneelall Seewoo, High Commissioner of Mauritius	30 April 2001
H.E. Mr. Rachad Farah, Non-resident Ambassador of the Republic of Djibouti with residence in Tokyo	6 June 2001
H.E. Dr. Muhsen Al-Khayer, Ambassador of the Syrian Arab Republic	6 June 2001
H.E. Mr. Abdelkrim Belarbi, Ambassador of the People's Democratic Republic of Algeria	6 June 2001

H.E. Mr. O.E. Semenets, Ambassador of Ukraine	6 June 2001
H.E. Dr. Francisco Manuel Guimaraes Henriques da Silva, Ambassador of Portugal	12 June 2001
H.E. Mr. Cheang Eng. Nguon, Ambassador of the Kingdom of Cambodia	12 June 2001
H.E. Prof. Moses Musonda, High Commissioner of the Republic of Zambia	14 September 2001
H.E. Ms. Caroline McDonald, High Commissioner of New Zealand	14 September 2001
H.E. Mr. Robert D. Blackwill, Ambassador of the United States of America	14 September 2001
H.E. Mr. Hua Junduo, Ambassador of the People's Republic of China	14 September 2001
H.E. Mr. Michael Sternberg, Ambassador of the Kingdom of Denmark	16 November 2001
H.E. Haji Abdul Ghafar Bin Haji Ismail, High Commissioner Brunei Darussalam	16 November 2001
H.E. Mr. Elyes Kasri, Ambassador of the Republic of Tunisia	16 November 2001
H.E. Dr. Mohamed Sa'ad Ali, Ambassador of the Republic of Yemen	16 November 2001
H.E. Dr. Saeed Mohammad. Ali Al-Shamsi, Ambassador of the United Arab Emirates	16 November 2001
H.E. Mr. Jeromir Novotny, Ambassador of the Czech Republic	11 December 2001
H.E. Mr. U. Kyaw Thu, Ambassador of the Union of Myanmar	11 December 2001
H.E. Mr. Glen Lindholm, Ambassador of Republic of Finland	11 December 2001
H.E. Dr. Krzysztof Majka, Ambassador of the Republic of Poland	11 December 2001
H.E. Mr. Nabil Tawfik Talhouni, Ambassador of the Hashemite Kingdom of Jordan	11 December 2001
H.E. Ms. Penelope Anne Wensley AO, High Commissioner of Australia	11 December 2001

List of Conferences organised in the year 2001-2002 (Upto 30 November 2001)

1. Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Co- operation (BIMST-EC)'s First Expert Group Meeting of Transport and Communication (22 & 23 April 2001)
2. Mekong-Ganga Cooperation Experts' Working Group Meeting on HRD (11 & 12 June 2001)
3. International Conference on State Sovereignty in the 21st Century – Concept, Relevance and Limits (23 & 24 July 2001)

4. SAARC Commerce Ministers' and Secretaries' Meeting on WTO issues (22 & 23 August 2001)
5. Workshop for Judges on Justiciability of Social, Economic and Cultural Rights (17 & 18 November 2001)
6. ASEAN Regional Forum, inter-sessional support group meeting on Confidence Building Measures (18-20 December 2001)
7. Thematic Round Table on globalization on sustainable development (12-14 February 2002)

Assistance was provided in organising the following Conferences/ Events during 2001-2002

1. BIMST-EC Meeting on New and Renewable Sources of Energy (10-12 September 2001)
2. Conference of Welfare Officers of Indian Missions in Gulf Countries (8 & 9 October 2001)
3. Presentation of report by High-level Committee on Indian Diaspora (8 January 2002)
4. ARF Peace Keeping Forces Meeting (19-22 March 2002)



15

Passport, Visas and Consular Services

The Passport, Visa and Consular Division of the Ministry of External Affairs serves Indian and foreign nationals directly by issuing passports to the Indian nationals and by overseeing the issue of visas to foreign visitors and provision of consular services to Indian nationals by the Indian Missions and Posts abroad. In this rapidly globalising world, the frequency of foreign travel as well as the segment of the popular crossing the international borders has increased. With a vast reservoir of trained manpower, Indian nationals have been creating opportunities for themselves abroad for studies, employment and business. The possession of a passport is a pre-requisite for the individual to legally leave the shores of his country.

Passport Services

During the year, the Central Passport Organisation moved rapidly on the course of modernisation, computerisation and decentralisation. The guiding principles were to meet the expectations of the passport applicants and streamline the working of the Passport Offices. Efforts continued to improve the services through various new measures for providing efficient, prompt and transparent service at the 28 Passport Offices and 22 Passport Application Collection Centres. Two new Passport Application Collection Centres were opened at Gulbarga and Kargil. The newly introduced system of printing, distribution and sale at a nominal price of passport application forms was further strengthened and has proved to be a success.

Passport Offices at Bhopal, Bareilly, Goa, Kolkata, Lucknow, Mumbai, Thane, Pune, Cochin, Jalandhar, Kozhikode launched their websites during the year which carry

all the rules, regulations etc. for passport, visa and PIO Cards and carry information about the status of application submitted at that particular Passport Office.

Annual Passport Officers' Conference was held from 28 April to 1 May 2001 in Hyderabad at which fresh ideas for reforming and revamping the procedures were discussed to make the system both user-friendly and efficient. There was special emphasis on the redressal of public grievances and the practice of periodical 'Passport *Adalats*' was continued at most Passport Offices.

Decentralisation through Post Offices and District Offices

To decentralise the passport services and to bring these services closer to the people, it is envisioned that the passport applicants should be able to deposit their filled passport application forms through a wide network of offices going down to the District/Sub-divisional level. The channels envisaged were the Speedpost Centres of the Deptt. of Posts and the SP/DM's office in each District. The Speedpost Passport services were launched on 5 March 2001. The facility is now available in 31 cities under the jurisdiction of 11 passport offices viz. Ahmedabad, Bangalore, Kolkata, Chennai, Cochin, Delhi, Hyderabad, Kozhikode, Mumbai, Chandigarh and Thiruvananthapuram.

District Passport Cells

The government decided to accept passport applications through a designated office (DM or SP) in each district of the country. The designated offices would function

as the 'District Passport Cells'. Meetings have been held with representatives of all State Governments to operationalise this proposal.

Ongoing Innovations

The '*Tatkaal*' Scheme for out-of-turn issue of passports launched has been very successful. It has enabled the system to speedily respond to public demand and has also generated substantial additional revenue for the Government.

Review of Passport Issue System

In March 2001, an Inter-Ministerial Committee had been established in the Cabinet Secretariat to review the present system for issue of passports. The Committee submitted its Report in September 2001 and made important recommendations endorsing the roadmap for the Ministry for decentralisation, computerisation and streamlining of the work of the Passport Offices. The Committee made important recommendations for simplifying the police verification procedures. The Report has been, in principle, accepted by the Ministry and the Minister of State held a meeting with the Chief Secretaries and Directors General of Police of all the States on 23 November 2001 for the expeditious implementation of the Report.

The genuine need of passport applicants for assistance in filling up a passport application form has been recognised. Associations of ex-servicemen had been approached to open facilitation counters at some Passport Offices where they would assist the applicants on the payment of a small fee. Such counters have already started functioning at the Passport Offices in Jalandhar, Tiruchirapalli, Bangalore, New Delhi, Ahmedabad, Trivandrum and Cochin.

The old Passport Manual (1983) was thoroughly revised and updated and the new Manual (2000) has been released.

The rules for issue of duplicate passports in case of loss or damage as well as re-issue of passports after expiry of ten-year validity were simplified. Passports can now be issued in such cases on post-police verification basis.

Infrastructure

At most Passport Offices, concrete measures were taken to provide more amenities for the applicants/visitors. The new Passport Office building at Hyderabad

was inaugurated on 30 April 2001. Additional space was provided to Passport Office, Mumbai to relieve congestion.

The Government has taken up construction of buildings to house the Passport Offices at Bangalore, Kolkata, Cochin, Kozhikode and Panaji. At present, Passport Office buildings at five places (Mumbai, Cochin, Kozhikode, Ahmedabad and Hyderabad) are owned by MEA, at six places are owned by the Central Government/State Government and are rented in 17 places. MEA acquired plots of land/built-up properties in various cities in India and construction or design work was in progress at eight places viz. Bangalore, Kolkata, Cochin (residential complex), Jaipur, Lucknow Patna, Panaji and Chandigarh (office complex). The process for purchase of land at three other places i.e. Thiruvananthapuram, Tiruchirapalli and Jammu was also in progress.

Computerisation

At present, 27 of the 28 Passport Offices have been computerised. Patna, is the only Passport Office still to be computerised. Computerisation of Passport Office Patna will be taken up as soon as the Passport Office shifts to its own newly constructed building.

E-mail facility was available at all computerised Passport Offices. Tele-enquiry system was in operation at all the computerised Passport Offices except Pune and Bhopal for which a software upgradation is underway. Websites were established at Bangalore, Chennai, Chandigarh, Bhopal and Lucknow in 2001 bringing the total number of passport offices having websites to 14. A proposal for a comprehensive computerised network and connectivity as well as creation of a Central Processing Cell was under implementation.

Volume of Passport Applications

Upto September 2001, there was an unprecedented 15 per cent increase in the number of applications received during the corresponding period in the year 2000 for grant of passports. Demand for other miscellaneous services like renewal, change of name, additional booklets, fresh passports for minors etc. was also high. However, there was a perceptible fall in the number of passport applicants in the last quarter of the year. A total number of 22,71,853 passports were issued and 2,47,809

miscellaneous services were rendered (upto 31 October 2001) during the year 2001. Detailed figures of receipts of passports issued/services rendered, including the revenue and expenditure of Passport Offices, are at **Annexure-IV**

Machine Writing of Passports

Machine writing of passports had initially been introduced at RPO Delhi. RPO Delhi has now taken up machine writing of passports of PO Ghaziabad also. Machine writing is also being introduced in other major passport offices. It has already started functioning at Hyderabad, Mumbai and Chandigarh in the month of November, 2001 and is likely to be started very soon in RPO Ahmedabad and Kozhikode.

Cadre Review

The personnel of the Central Passport Organisation (CPO) are running the 28 Passport Offices and 22 existing Passport Application Collection Centres. The current strength of CPO cadre (after the Cadre Review in 2001) is 2076 with 213 officers and 1869 non-gazetted staff. One of the major demands of the employees has been for a comprehensive Cadre Review as there is stagnation at various levels. This has been largely addressed in the Cadre Review of the CPO which was undertaken by the Staff Inspection Unit. Approval of the Ministry of Finance was received for creation/abolition of the following posts:

Creation	–	274 posts
Abolition	–	136 posts

After finalisation of the Cadre Review, several DPCs have been held which resulted in promotions to the posts of APO, PRO, Superintendent, Assistant and UDC.

Training of the CPO Personnel

Need for training of the CPO staff has long been felt for improving the quality of work in the Passport Offices. For officers of the CPO of the level of Superintendents and above, three Programmes on “Managing Organisation Effectiveness” were held at the Indian Institute of Public Administration, New Delhi.

For group ‘C’ staff of CPO, a training programme on Accounts, Audit, Administration and Public Relations matters was organised at the Institute of

Secretariat Training & Management, New Delhi. More such programmes will be held with focus on motivation, time management, public dealing and office procedure.

Consular Services

All Missions and Posts abroad strive to fully meet the consular needs of Overseas Indians and are geared to provide efficient and timely assistance on all days and at all hours. Assistance to Non-Resident Indians/workers, especially in the Gulf countries, including on disputes with their employers/sponsors, is being provided through the Labour Wings in the Missions and Posts. Government maintained contacts with the Governments of the Gulf countries, including through the institutional mechanism of the Joint Commissions, with the objective of resolving consular problems and ameliorating the conditions of Indian workers in those countries. In cases of deaths of Indians abroad, prompt assistance was provided by Indian Missions and Posts for completing the formalities for early despatch of the mortal remains, liaison with the local and Indian authorities and keeping the relatives of the deceased informed.

During the year, 4556 Indians were arrested abroad and 2373 deaths of Indians abroad were reported to the Ministry. A summary of the consular data for the year 2000 is at **Annexure-V**.

Meeting of Consular Officers of the Gulf Region

The first-ever Conference of Welfare officers of Missions/Posts in Gulf countries was held in New Delhi on 8 & 9 October 2001. The Conference was inaugurated by Minister of Labour, Shri Sharad Yadav, in the presence of Minister of State for External Affairs, Shri Omar Abdullah, and it provided an opportunity to the Welfare Officers of Indian Missions/Posts in Gulf countries to interact with senior officers of the Ministries of External Affairs and Labour, Intelligence Bureau, Protectors of Emigrants and representatives of various State Governments. Existing procedure with regard to recruitment of workers for jobs in Gulf countries, emigration clearance, problems faced by Indian workers, welfare measures and computerisation were the main issues discussed during the Conference.

Visas

Over the years, the procedure for grant of visa by Indian Missions and Posts has

been liberalised. Many Missions and Posts grant visas either across the counter or the same day and most others issue visas within 48 hours.

A project for computerisation of the Consular Wings of the Missions and Posts in the Gulf, West Europe and North America is under implementation. First, those Missions and Posts would be computerised where the volume of services rendered is high. Separately, NIC has been working on the computerisation of the consular wings of HCI, Dhaka and Colombo.

India's 152 Missions and Posts abroad provided visa services to 10,83,653 foreigners during the period from 1 January 2001 to 30 September 2001.

Consular Attestation

During the year 3,32,241 documents were accorded Consular attestation in CPV Division, of which 18,345 were commercial documents. This service is rendered on the same day without any charges and is prompt and efficient.

Bilateral Agreements

In order to provide a legal and institutional framework to combat organized crime, international terrorism and drug trafficking, and to respond to the growing international dimensions of financial and other crime, bilateral agreements are being negotiated with several countries to provide legal under-pinning to this international effort. These consular agreements include Extradition Treaties, Agreements on Mutual Legal Assistance in Criminal Matters, Legal Assistance in Civil Matters and Consular Conventions.

Extradition Treaties with Germany and Turkey were signed in the month of June, 2001 during Home Minister's visits to these countries. Agreements on Mutual Legal Assistance in Criminal Matters with Tajikistan and USA were signed in New Delhi in May 2001 and October 2001 respectively. Extradition Treaties were initialled at official level with Malaysia and Spain in May 2001 and June 2001 respectively.

During the year, official delegations visited Malaysia, Italy and Spain to negotiate Extradition Treaties and Agreement on Mutual legal Assistance in Criminal Matters. Agreements on Mutual Legal Assistance in Civil Matters were proposed to Bulgaria and Iraq.

The Ministry actively pursues requests for extradition and other legal assistance from foreign Governments both for criminal and civil/commercial offences. The requests for extradition emanate from Indian obligations under the Extradition Treaties or Extradition Arrangements entered into with various countries. During the year 14 requests for extradition and 74 requests for legal assistance were received in addition to the ongoing cases.

Assistance provided in the aftermath of 11 September

In the aftermath of terrorist attacks in New York and Washington on 11 September 2001, Government of India provided every possible assistance in tracing missing Indians (NRIs/PIOs) by operating 24 hour help-lines at CGI, New York and Ministry of External Affairs, New Delhi, and liaised closely with the New York city authorities. The help-line of the Ministry handled 373 enquiries from anxious relatives/friends from all over India and helped in ascertaining safety of 110 persons.

There was no report of any loss of life or serious injury to any Indian (NRI/PIO) in Washington. 107 persons of Indian origin were registered with the New York City Authorities as missing and presumed dead as a result of the attacks on the World Trade Centre, New York. No list of Indians killed in the attacks is available, since most of them are classified as missing. Most of these persons worked as professionals in the corporate sector and financial companies. The Ministry had made arrangements with Air India, Indian Airlines and Indian Railways for free transportation of mortal remains of the victims of these attacks from New York to their destinations in India.

Vision

The public interface with the Ministry of External Affairs is through the Consular, Passport and Visa work. The public rightly expects prompt and courteous service with minimal delays. The mission of the Ministry is to expand the network of contact points from where services can be delivered, go in for massive computerisation – both for processing and storage of data and to achieving a level of applicant satisfaction of which it can be proud.



16

Non Resident Indians and People of Indian Origin Overseas

Establishment of New NRI-PIO Division in MEA

The NRI-PIO Division which was created in April 2000 as a major initiative of the Government to build linkages between the Diaspora and the motherland continued to discharge its functions under the charge of Secretary (PCD) in the Ministry. It acts as an interface between the organisations and associations of overseas Indians abroad and the Government of India. It also acts as the coordinator of activities of other Ministries and Organisations dealing with subjects of interest to overseas Indians.

The Division also continued to provide the services of a Secretariat to the High Level Committee on the Indian Diaspora headed by Dr. L.M. Singhvi, Member of Parliament, which was constituted by the Government in September 2000 to address multifarious issues concerning the NRIs and PIOs.

Tours undertaken by the High Level Committee

During the period under report, the High Level Committee undertook visits to important countries with large concentration of the Indian Diaspora with the objective of first hand interaction with the Indian Community. These included visits to Mauritius and Reunion Island (April 2001); the USA, Canada, Guyana, Suriname, Trinidad and Tobago (May-June 2001); Singapore, Malaysia, Thailand and Australia (July 2001). During these visits, the Committee exchanged views on the various issues concerning the Indian Diaspora with political leadership of some of these countries. Discussions were also held with the representatives of the various

associations of the Diaspora populations in these countries inviting them to express their aspirations and expectations from India so that these issues could be appropriately addressed.

Workshop on “India and the Indian Diaspora: Linkages and Expectations”

The NRI-PIO Division in collaboration with the Centre for Study of the Indian Diaspora, University of Hyderabad, organised a Workshop on “India and Indian Diaspora: Linkages and Expectations” in September 2001, which gave the Committee an opportunity to listen to the views of various eminent scholars who presented their papers in the Workshop, and to interact with them and elicit valuable information from them on several issues concerning the Indian Diaspora. During their visit to Hyderabad, the Committee also met the Governor and Chief Minister of Andhra Pradesh and held useful discussions with them on issues concerning the Indian Diaspora.

Visit to Gujarat

The Committee visited Ahmedabad in October 2001 and met with the Hon’ble Governor and senior officials of the State Government of Gujarat and held discussions on issues pertaining to the Diaspora from Gujarat. The Committee availed of this opportunity to visit some projects set up by the NRIs in Bhuj for earthquake victims.

‘Samavayam 2001’, the Global NRK Meet

Chairman of the High Level Committee, Dr. L.M. Singhvi, MP, presided over the ‘Samavayam 2001’, the Global Non-Resident Keralites’ Meeting which was organised by the Government of Kerala at Kochi on 20 & 21 August. This gave an opportunity to the Committee to have interaction with a large number of non-resident Keralites. Useful discussions were also held with the Chief Minister, the Minister for Information, Parliament Affairs and Non-Resident Keralites Affairs and other officials of the Government of Kerala.

Meetings/Interaction with senior Government dignitaries

The High Level Committee met with the Ministers of Home Affairs and External Affairs to elicit their views and suggestions on various aspects and problems faced by the Indian Diaspora. Detailed discussions were held with the Labour Minister where Labour Secretary and Protector of Emigrants were also present to benefit from their views and to apprise them of the problems being faced by Indian labour in the Gulf.

Reports of Expert Study Groups

The Committee also considered at great length the reports received from the various Expert Study Groups constituted by the various Ministries/Departments of

the Government of India and other organisations before arriving at conclusions and formulating their recommendations for their Final Report.

Reports submitted by the High Level Committee

The High Level Committee submitted Interim Reports on Persons of Indian Origin (PIO) Card Scheme in April 2001 and Pravasi Bharatiya Samman Awards and Pravasi Bharatiya Divas in August 2001.

The Committee completed its deliberations and submitted its final Report to the Minister of External Affairs on 19 December 2001. The Report was formally presented to the Prime Minister at a function held at Vigyan Bhavan on 8 January 2002. It was announced by the Prime Minister at the function that Pravasi Bharatiya Divas will be celebrated on the ninth day of January every year. It was on this day that Mahatma Gandhi, himself a Pravasi Bharatiya in South Africa for almost two decades, returned to India in 1915. Similarly ten Pravasi Bharatiya Samman Awards will also be conferred on prominent Non-Resident Indians/Persons of Indian Origin on the occasion of Pravasi Bharatiya Divas starting from next year. Prime Minister also announced that the Government had agreed to revise the P.I.O Card Scheme and to reduce the fees being charged at present for the P.I.O Card in response to a demand from the Indian community abroad.

The Committee’s Report is presently under examination of the Government.



17

Administration and Organisation

Shri Jaswant Singh continued as Minister of External Affairs. Shri Omar Abdullah assumed charge as the Minister of State for External Affairs on 23 July 2001.

At present there are 157 resident Indian Diplomatic Missions/Posts and other offices abroad. An Ambassador-at-large for Non Resident Indians/People of Indian Origin, New York was appointed on 18 September 2001.

The total strength of the IFS(A), IFS(B), Interpreter and L&T Cadre of the Ministry is 3481 as detailed in the table at Appendix I.

Appointments made in the Ministry, in 2001-2002, including the reserved vacancies, are given in the table at Appendix II.

The language proficiency of the officers in the Ministry is reflected in the table given at Appendix III.

The IFS(PLCA) Rules were brought out on a CD-ROM for better and easy referencing by users. Financial powers delegated to the Government of India's representatives abroad were revised and refixed in terms of US dollars.

Under the Cash Award Scheme, the three best-organised sections in the Ministry were identified for granting cash awards and acknowledging their accomplishment in following O&M procedures. The 62nd Regional Council meeting of the Joint Consultative Machinery of the Ministry was held on 29 October and 2 November 2001, in which various issues relating to service and welfare matters were amicably resolved. Continuing with the drive for total computerization, the Pension section and Cash Branch were fully computerized.

Establishment Division

The Establishment Division of the Ministry of External Affairs is a service department administering expenditure relating to Capital Outlay for the purchase of properties and construction and renovation projects in India and abroad. In addition, the Division is responsible for the renting and maintenance of Ministry of External Affairs premises in India and abroad, fixing of allowances and grants and supply of office and residential equipment, furniture, art objects to Missions as well as Offices at Headquarters. Procedures were further streamlined during the year under review, including enhancement of ceilings under the delegated financial powers to Government of India representatives abroad, with a view to enable the Missions abroad to undertake repair and maintenance as also replacement of office equipment, cars, etc. in time.

Focused attention was given to construction and purchase of properties abroad during the year 2001 and a budgetary provision of Rs.94.2 crores was made in the BE 2001-2002 for this purpose. A 3-year Action Plan was drawn up for undertaking construction of priority projects abroad including construction of Chancery and Embassy Residence in Doha, Muscat and Tashkent, Embassy Residence in Gaborone, residential complex in Moscow and Cultural Centre in Port of Spain. The preparatory work for launching the construction of these buildings is nearing completion. The renovation of the High Commissioner's Residence in London was completed during the year under review. The interior works in the newly constructed Chancery complex in Abu Dhabi and Cultural Centre in Mauritius on 15th July were also completed.

Approval was obtained for purchase of Chancery properties in Damascus and Hong Kong. A property team visited Kabul and renovation works are under progress.

Priority was also accorded to execution of construction projects in India. The Videsh Bhavan project in New Delhi was taken up afresh and modalities for conducting an open competition to invite wider participation of architects for the project were finalized. The construction of the Foreign Service Institute in New Delhi was started in April 2001 and pile foundation work for the ICCR building in Kolkata was completed in May 2001. Substantial progress was made in the ongoing construction projects. The Pappan Kala Residential complex for officials of the Ministry will be completed in February 2002. Residential complex for Passport Offices in Cochin and Kozhikode have been completed. Work on construction of Regional Passport Office in Goa is in an advanced stage. Priority has been accorded to completion of all preparatory work for construction of Regional Passport Offices in Bangalore and Chandigarh and for the construction of Videsh Bhawan, Kolkata, to house the Branch Secretariat of the Ministry.

The Fourth Annual Review of Indexation of foreign allowance was carried out and steps were taken to further rationalize the foreign allowance structure. Some Missions, in countries for which UN statistics were not available, were inspected by Joint Ministry of External Affairs - Ministry of Finance Teams for fixation / revision of foreign allowance.

The Sixth Objets d'Art (ODA) Committee was constituted during the year under review. The Foreign Secretary is the Chairperson of the Sixth ODA Committee. The ODA Committee was initially set up by a Resolution published in the Gazette of India of 28 February 1981. The Committee has been entrusted with the responsibility

of selecting Objets d'Art from Indian sources for display in our Missions and Embassy residences abroad. Good quality representative art and handicrafts were acquired and forwarded to Missions abroad for display.

The IT Task Force, under the Chairmanship of the Additional Secretary (AD), met regularly to review the status of implementation of various measures being undertaken to improve administrative efficiency by using Information Technology. Considerable progress was achieved in the implementation of "Minimum Agenda for e-Governance" of the Government of India during the year 2001. All Sections of the Ministry have been provided with computers. E-mail connectivity has also been provided at the Section level in the Ministry and increased use of this mode of communication is being promoted. One of the important features of the computerization programme was that the cost of computerization / use of IT for promoting administrative efficiency was met out of savings accrued on account of increased use of e-mail facility for communication purposes and reduction in manpower requirements consequent upon closure of Telegraph Section of the Ministry and Zonal Telex Centres abroad.

Local Area Network (LAN) was introduced in various divisions of the Ministry and increased emphasis was given to introduction of Application Software Packages for various activities of the Ministry / Missions abroad. Some of the software developed /being introduced include, Office Procedure Automation Software, Missions' Accounting Software, Inventory Control Software Packages, etc. Efforts were also made to introduce various security measures for protecting Ministry's/ Mission's websites from hacking and towards introduction of Authenticated System softwares for information security



18

Foreign Service Institute

The Foreign Service Institute's activities during the year 2001 related mainly to the organization of:

- Professional Course in Diplomacy and International Relations for Entrants to the Indian Foreign Service.
- Professional Course for Foreign Diplomats.
- Basic Professional Courses (BPCs) for various categories of Ministry of External Affairs staff.
- Computer Training Courses.
- Familiarization Programme for Foreign Diplomats Resident in Delhi.
- Special Courses for Officers from other Ministries on assignment to Indian Missions abroad.

The Professional Course on Diplomacy and International Relations for the Probationers of the Indian Foreign Service – the most important part of FSI's work – was conducted for the 2000 batch of Indian Foreign Service Probationers, from January 2001 to December 2001. The 2001 batch of Probationers commenced its training in January 2002 after completing the Foundation Course at the Lal Bahadur Shastri National Academy of Administration.

The basic objective of the Course was to provide comprehensive training to the young Indian Foreign Service Officer – trainees in the traditional areas of diplomacy, international relations, political reporting and protocol and in several related fields

that are growing in importance such as national security, management challenges in the changing global scenario and investment promotion.

The training programme for the 2000 batch of Indian Foreign Service Probationers comprised of 31 modules, which dealt with important areas of work relating to foreign policy and diplomacy. The most comprehensive module related to India's foreign policy, covering almost every aspect of our external relations. A special module entitled "Introduction to India" was introduced from this year to enlighten the young officers the diverse nature of their own country followed by a 3-week Bharat Darshan tour.

In keeping with the special emphasis in recent years on economic diplomacy, the module on "International Economic Relations and Commercial Diplomacy" was strengthened. The focus was on India's economic reforms, the international economic missions abroad, role of commercial counsellors in investment promotion, commercial negotiations, management challenges in the changing global scenario and international finance and capital markets. A comprehensive programme was arranged in collaboration with Confederation of Indian Industry and eminent speakers from Confederation of Indian Industry briefed the probationers on above matters. This was the 3rd year of CII's active participation. The probationers were also taken to Mumbai for an on-the-spot study of the working of financial institutions like the RBI, Exim Bank, NSE, OTCEI etc.

The module on International Relations highlighted some non-traditional areas of diplomacy, such as Environment, Energy, Refugees, Narcotics, Terrorism and Human

Rights. The speakers included experts in the respective fields, Ambassadors of foreign countries resident in Delhi and senior retired and serving Indian diplomats.

The module on “Security and Nuclear Matters” apart from focussing on vital security issues like nuclear non-proliferation, disarmament and arms control, also covered India’s defence policy, the state of the armed forces, developments in defence technology and the security of the border areas.

The module on “Special Diplomatic Skills” emphasised negotiating skills, communications skills, use of Information Technology, development of leadership skills and “esprit de corps”. Mock sessions on negotiation skills were held. A special module on “International Law & Diplomacy” was arranged for the 2000 batch to understand the application of international law in diplomatic negotiations.

Apart from these modules, there was a good deal of emphasis on field visits to acquaint the probationers with the ground situation in sensitive areas of the country such as the North-East, Himachal Pradesh and Jammu & Kashmir. The probationers were also attached with the various wings of armed forces for orientation and briefing.

The Indian Foreign Service probationers were also given extensive briefing on the role of Management in Diplomacy at the Tata Management Training Centre, Pune.

Continuing with the programme of visiting neighbouring countries, Indian Foreign Service Probationers visited Sri Lanka, Maldives, Nepal and Bangladesh for a period of around one week each.

The Institute also organised brief Orientation Programmes for officers from other Ministries of Government of India proceeding on posting to our Missions abroad.

The 12th Familiarization Programme entitled “Introduction to India” for resident foreign diplomats was arranged. The programme was designed to impart basic information about India to newly arrived diplomats and covered topics such as the Constitution of India; organisation of MEA & Government of India; India’s economic policy; historical legacy of India; Indian art, music & culture, etc.

FSI continued its efforts to enter into cooperation arrangements with Diplomatic Academies and other similar institutions of other countries. FSI already has signed MoUs with Peru, Brazil, Russia, Uruguay, Vietnam, Croatia, Sudan, Chile, Guyana,

Panama and Egypt. Negotiations for entering into similar arrangements are going on with the Foreign Offices of Venezuela and Ethiopia.

From this year, the “Bimal Sanyal Memorial Prize for the best all-round probationer” was instituted and awarded.

As part of the Memorandum of Understanding between the Diplomatic Academy of Peru and the Foreign Service Institute, the Peruvian Embassy in Delhi awarded a prize for the probationer who wrote the best monograph.

The Professional Course for Foreign Diplomats (PCFD) is a six-week prestigious course organized by the FSI. It was started in 1992 following a directive from the Prime Minister. The course is held 3 times a year and 24-26 foreign diplomats participate in each such programme. 28 PCFDs have been held so far and more than 600 diplomats from over 110 countries across the world have participated in them. The Course aims at providing a fresh perspective and an exposure to the latest developments in the major fields of activities which are of professional interest to a practicing diplomat. Areas related to diplomacy, international relations, international law and international organizations, security and diplomatic practice are covered in the course. The course also aims at familiarizing the visiting foreign diplomats with various aspects of India’s polity, its history and culture, salient features of its foreign and security policy as well as its achievements and capabilities in the fields of economy, science and technology. One of the major highlights of the course is the study tour of the participants to various centres of economic, industrial and cultural importance to give them a first hand feel of India’s rich heritage and of various facets of India’s national development.

The PCFD programme underwent a comprehensive revision this year. Until recently, the course was held under the aegis of the ITEC/SCAAP scheme but has since been de-linked and is now open to non-ITEC/SCAAP countries as well. With effect from this year the Foreign Service Institute offers participation in the PCFDs on the basis of a system of gradation of countries based on their per capita incomes. For Category I countries, the terms of participation remains as in the past viz. the expenditure is borne by the GOI. Countries belonging to Category II bear the international travel passage for their nominee while the GOI bears the local expenditure. The nominee of the Category III countries are admitted against the payment of Course Fee (presently set at US \$ 4,000/-) which is estimated to cover the

local expenditure. In addition, the Category III countries also bear the international airfare of their nominee. For the first time, diplomats from Australia and Kuwait participated in the 28th PCFD under the new scheme.

The 28th PCFD was held from October 4 -November 9, 2001 in which 24 diplomats participated. 23 diplomats participated in the 29th PCFD which was held from 10 January to 15 February 2002. The 30th PCFD is scheduled to be organised from 4 March to 12 April 2002.

In addition, the FSI is also organizing a special three-month training course for 20 Afghan diplomats from 18 February 2002. The programme aims at building professional skills required in diplomatic assignments and includes several training modules on language and computer proficiency, various aspects of diplomacy, foreign policy, international relations, topical global issues and economic diplomacy.

In the field of computer training, the following courses were offered by the FSI this year:

- Basic Level Training Course in MS-Word, Internet and E-Mail
- Advanced Level Training Course in MS-Word, Internet and E-Mail
- Computer Training Course in MS-Excel .

Next level courses on MS Access and on specialized application software packages are being prepared in consultation with the IT Task Force of the Ministry and will be offered in due course.

The Basic Professional Course is a mandatory Refresher Course for officials in the Ministry of External Affairs upto the level of Section Officers prior to their departure on posting to Indian Missions abroad. Emphasis is given in this Course on preparing officials to function effectively as a team in the diplomatic environment abroad, besides an exposure to administrative rules and procedures, finance and accounts work relevant to Indian Missions and passport, visas and consular work. The effort is to co-relate closely with the expected job profile of each participant while providing an overall perspective of the functions of each wing in our Missions abroad. The Course also includes modules on cultural, commercial, information and education work in the Mission. As our Missions provide the first impression of the country and the Institute has, therefore, endeavoured to instill a high level of polite, positive and courteous behaviour among the members of the Mission. Nine BPC courses were held this year in which over 300 officials of the Ministry participated.



Implementation of Official Language Policy and Propagation of Hindi Abroad

The Ministry of External Affairs is making all efforts for the promotion and propagation of Hindi in its offices as well as in Missions/ Posts abroad. Besides implementing the Official language Policy of the Government of India, it plays an important role in the promotion and propagation of Hindi abroad. Documents like bilateral treaties, Agreements, Memorandum of Understanding, Credentials, Speeches of President, PAC paras, Annual Report of the Ministry and Parliament Questions submitted to both Houses are issued bilingually.

With a view to promote Hindi among the senior officers and to motivate them to do more and more work in Hindi one set of dictionaries i.e. English to Hindi and Hindi to Hindi was presented to all the officers of the rank of Director and above in the Ministry because there was a steady demand of bilingual dictionaries.

Ministry has a well formulated scheme of propagation of Hindi abroad. Ministry deputed Hindi Teachers to countries where there is a significant number of people of Indian origin to conduct classes. Hindi Professors are also deputed to various foreign Universities. Indian Missions abroad promote and assist in the learning of Hindi through correspondence courses conducted by Central Hindi Directorate. In 2000-2001, 100 slots were allotted to the students of different countries to learn Hindi at the Kendriya Hindi Sansthan, Agra. Seven Hindi teachers were appointed in the Indian Missions abroad under a special scheme to teach Hindi to the children of Embassy and other officials.

Standard Hindi literature worth Rs.15 lakh on various subjects such as Indian Culture, Art, Literature, Language, History and Philosophy sent to Indian Missions for their libraries and also for donating to Educational Institutions and Voluntary Organisations engaged in promotion of Hindi. Teaching material including textbooks, dictionaries, audio-visual cassettes, Computer software, CD-ROMs etc. are also being sent. The Missions on their part maintain close contacts with local organizations and Indian Community and fulfil their Hindi language related requirements. Some of our Missions organised Hindi Conferences, literary events, Hindi Essay competitions etc. to promote Hindi in the countries of their accreditation. Liberal financial assistance was given to the organisations engaged in teaching and promotion of Hindi as well as Indian culture abroad.

Hindi Salahakar Samiti has been constituted under the chairmanship of EAM . Letter has been sent to the members for inviting the agenda points. OLIC meetings is also organized by this ministry.

Hindi fortnight was organised in the Ministry from 3 -14 September 2001. Various competitive programmes like Hindi Noting/Drafting, Hindi Essay, Hindi Stenography and Hindi Typing Competition was held, in which a large number of MEA officials participated. Winners of the competitions would be awarded suitable prizes at a function to be organised by the Ministry shortly. The message of the Home Minister was read out on Hindi Day by Foreign Secretary before the staff of the MEA. This

message was also despatched to missions abroad to be read out in front of the staff of Missions/ Posts.

Hindi forms an integral part of the FSI training programme. Intensive training about the Government's Official language Policy and its implementation (Rules and regulations) is given to the trainees. Leap office Hindi Software has been provided to 97 Missions abroad. AKSHAR software is also sent to the Mission.

Ministry started its Hindi Website also wherein information about the important activities of the Ministry has been provided in Hindi. Efforts were being made to update the Hindi portion of the website of the Ministry.

In near future a Regional World Hindi Conference is being organised in Budapest for which a sum of 10,00,000 has been sanctioned by the Ministry for this Conference.

The first sub-committee of the Committee of Parliament on Official Language inspected the Regional Passport Office, Bhubaneswar.

Holding of VII World Hindi conference spade work has been done. More activities is going on.

Various type of boards has been installed in Ministry depicting famous Hindi quotations said by various persons.



Indian Council of Cultural Relations

The Indian Council for Cultural Relations was formally set up in 1950 with the primary objective of establishing, reviving and strengthening cultural relations and mutual understanding between India and other countries. The major activities of the Council are:

- ❑ Administration of the scholarship schemes for overseas students on behalf of the Government of India;
- ❑ Maintenance the Indian Cultural Centres abroad and supporting special bilateral programmes organized through them
- ❑ Establishment and maintenance of Chairs and Professorships for Indian studies in the Universities abroad
- ❑ Publications
- ❑ Organisation of and participation in seminars and symposia
- ❑ Exchange of performing artists and troupes
- ❑ Exchange of intellectuals, academics and leading personalities associated with other art and craft forms
- ❑ Organisation of annual events like Maulana Azad Memorial Lectures, Maulana Azad Essay competition and other programmes on behalf of the Ministry of External Affairs
- ❑ Providing the secretariat for the Jawaharlal Nehru Award for International Understanding

Scholarship and Welfare of International Students

The Council offers about 1000 scholarships annually under its various scholarship schemes for a variety of courses from undergraduate to doctoral degrees in various disciplines as well as professional courses in accountancy, business administration and management. The Council also offers scholarships for the study of Indian art forms such as Indian classical dance, music, painting, sculpture etc. This year a total of 909 new scholarships were offered to students from 70 different countries.

The council continued to look after the general welfare of international students by organising various activities throughout the year with the aim to familiarise its scholars with the political, economic, social and cultural milieu of India besides helping them make friends through shared experiences. These activities included holding all international students festivals, zonal meeting of the ICCR scholars and holding of summer and winter camps. The Council also started a programme to prepare a comprehensive data base of its scholars which is under progress. The Council also initiated measures to increase the stipend for ICCR scholars in view of the increased cost of living in India.

Indian Cultural Centres Abroad

In order to promote awareness and appreciation of India's composite cultural heritage abroad, the Council has set up Cultural Centres in Cairo (Egypt), Berlin (Germany), Port Louis (Mauritius), Paramaribo (Suriname), Georgetown (Guyana),

Jakarta (Indonesia), Moscow (Russian Federation), London (U.K.), Almaty, (Kazakhstan), Durban and Johannesburg (South Africa), Port of Spain (Trinidad & Tobago) and Colombo (Sri Lanka). All these Cultural Centres are functioning under the administrative control of the respective Indian Missions abroad.

While the Cultural centres in London, Berlin and Moscow focus more on intellectual activities such as organisation of lectures, talks, seminars, panel discussions on the issues of contemporary and cultural interests with the objective to promote a better understanding of India through mutual interaction, the centres in the countries with sizeable population of Indian origin organise their programmes in order to cater to the desire of the local population to keep a constant touch with India and her cultural heritage. These centres conduct regular classes of Indian music, dance, yoga etc. The cultural centres in Moscow and Paramaribo also teach Hindi. The Centres also maintain audiovisual and print libraries for visitors and provide a supportive role to the respective Indian Missions for coordinating cultural activities. The centres also develop and maintain contacts with local citizens particularly students, teachers, academicians, opinion makers and cultural personalities to project a realistic picture of India's rich and diverse cultural heritage.

The centres also organise talks, lectures, exhibitions on visual arts, essay competitions, performances of dance and music, screening of Indian films, publication of news bulletins etc.

Visiting Professors And Chairs Of Indian Studies Abroad

The Council deputed Visiting Professors abroad to teach Indian languages and other related subjects. The deputation of Professors abroad is done under the Bilateral Cultural Exchange Programmes, Scheme of Propagation of Hindi abroad and Council's own programme. Presently, ICCR has on deputation 14 Professors teaching Hindi, Sanskrit, Tamil, Modern Indian History, Indian Civilization in Paramaribo (Suriname), Budapest (Hungary), Moscow (Russia), Port Louis (Mauritius) Seoul (South Korea), Warsaw (Poland), (2 posts Hindi and Tamil), Port of Spain (Trinidad & Tobago) (2 posts Hindi and Modern Indian History/South Asian Affairs), Sofia (Bulgaria), Ankara (Turkey), Bucharest (Romania), Bangkok (Thailand), Paris (France), Osh (Kyrgyzstan).

Publications

The Council has a major publication programme which has been growing over the years. The Council brings out six quarterly journals in five different languages – “Indian Horizons” and “Africa Quarterly” (both in English), “Gagananchal”(Hindi), “Papeles de la India”(Spanish), “Rencontre Avec L'Inde”(French), “Taquafat-ul-Hind”(Arabic).

During the current year, the council brought out a special issue of “Rencontre Avec L'Inde on “Shantiniketan” and another special issue of India Horizons on “North-Eastern States of India”.

The Council also provided financial assistance to the Embassy of India, Bratislava for publication of a book “Dhammapada words of Doctrine” on Indian Culture and Philosophy in Slovak language. It also funded, through High Commission of India, Dhaka, the printing in book form of the proceedings of the Sanskrit Theatre Symposium held in Dhaka.

The Council also participated in the 4th International Book fair held at the University of Los Andes at Merida from 6-17 June 2001.

Library

The Council's library, established with the personal collections of books and manuscripts bequeathed by Maulana Azad, has now more than 50,000 volumes. During the current year, it has added 325 publications and was visited by approximately 3500 visitors.

As a part of its modernisation drive, the computerisation of library records was undertaken in August 2001 and the first phase of involving the processing of about 13000 volumes has been completed.

Accounts

ICCR's Grant for the year 2001-02 for the General activities is Rs.41.00 Crores. Expected Receipt of the Council is Rs.0.30 crores.

Expenditure booked upto the month of October 2001 is 20.25 Crores (approx.).

Seminar/Conferences/Symposia

The Council conducted the Maulana Abul Kalam Azad Essay Competition for the year 1998-99 and announced the names of winners. The Council also observed the International Day of Solidarity with Palestinian People on 5 December 2001 in its premises. Shri Omar Abdullah, Minister of State for the External Affairs, was the Chief Guest of the event. The programme was attended by a number of dignitaries.

Performing Arts

During the period April 2001 – November 2001, the Indian Council for Cultural Relations organised visits of artistes/troupes to India from several countries viz. Armenia, Egypt, Ethiopia, France, Hungary, Israel, Kazakhstan, Kyrgyzstan, Mauritius, Re-union Island, South Africa, Turkmenistan, USA and Uzbekistan, these groups were hosted under the ambit of existing Cultural Exchange Programmes as well as in response to requests received from Indian diplomatic Missions abroad.

During the year, the Council organised the major festivals viz. dances and music from Central Asia (10-19 September 2001) and “Kaleidoscope” (8-19 October 2001) in which the groups from foreign countries and also from India participated.

Under its prestigious series of Indian art forms, “Horizon” and “Retrospectives”, the Council continued to present performances by emerging and outstanding artistes respectively in New Delhi and other cities. Some of the eminent artistes who performed under the “Retrospectives” series were Ms. Kala Ramanath (Hindustani Violin), Shri G.S. Rajan (Carnatic Flute), Shri Mukesh Sharma (Sarod), Dr. Kanak Rele and Troupe (Mohiniattam), Ms. Sarala Kumari and Troupe (Kuchipudi), Ms. Priyadarshni Govind (Bharatnatyam), Ms. Rama Vaidyanathan (Bharatnatyam) and Shri Prateek Chaudhuri (Sitar).

The Council presented “Shantanjali” on the occasion of the 100th Birth anniversary of the great master Shri Bhavesh Sanyal on 21st April where performances by Ms. Madhvi Mudgal (Odissi) and Ms. Kalapini Komkali (Hindustani Vocal) were presented at Shri Ram Centre, New Delhi.

During the year 2001-2002, the Council sponsored the visits of 35 cultural groups to 44 countries covering all continents of the world (Annexure ‘A’). Some of these groups participated in major events / festivals, e.g. “April Spring Friendship Arts

Festival” in Korea (DPR), “Seattle International Children’s Festival” and “Vegas Ventriloquist Festival 2001” in USA, “International Shakespeare Festival” in Bremen, Germany, “Culture Plovdiv Festival” in Bulgaria, “Echternach Music Festival” in Luxembourg, “Grahamstown Festival” in South Africa, “National Festival of Popular Arts, Marrakesh” in Morocco, “Carthage Festival” in Tunisia, “Ethnic Cultural Festival” in Tanzania, “Edinburgh Fringe Festival” in UK, “Cervantes Festival” in Mexico, “Ismailia Festival” in Egypt, “Babylon Festival” in Iraq, “Bahrain International Music Festival” in Bahrain, “Romaeurope Festival” in Italy, 5th China International Folk Art Festival” and “4th Asian Art Festival” in China.

While sponsoring such visits, a special emphasis was given to holding of workshops and Lecture Demonstrations with local artistes, in addition to performances. Special emphasis was also given to sponsoring groups to neighbouring countries. A significant number of younger artistes and folk groups from various parts of the country were also sponsored.

Eminent artistes sponsored to various countries during the period included – Shri Habib Tanvir (Theatre), Ms. Alarmel Valli, Ms. Rama Vaidyanathan, Padmini Dorairajan and Ms. Pratibha Prahalad (Bharatanatyam), Dr. Kanak Rele and Ms. Bharati Shivaji (Mohiniattam), Ms. Aditi Mangaldas, Ms. Rohini Bhate, Ms. Ishira Parikh & Maulik Shah, Kumudini Lakhia and Ms. Malti Shyam (Kathak), Ms. Manjari Chaturvedi (Sufi Kathak), Ms. Malashri Prasad (Hindustani Vocal), Samundar Khan Langa (Rajasthani Folk Music), Ms. Sonal Mansingh and Ms. Sangeeta Dash (Odissi), Shri Prateek Chaudhari (Sitar), Ustad Asad Ali Khan (Rudra Veena), Shri Ronu Majumdar and Shri Jagdish Prashad Varman (Flute), Shri Madhusudan Samanta (Baul Music), Shri Ulhas Bapat (Santoor), Shri P.C. Sorcar (Magic), Ms. C. Lalitha and Ms. C. Saroja (Carnatic Vocal), Chhau Dance group of Mayur Art Centre, “Manipuri Jagoi Marup”, “Pung Dhol Cholan Group of JNMDA”, “Kathakali group of Kerala Kala Mandalam” and Bihu group of Surabhi Kala Kendra.

Distinguished Visitors Programme

As part of its efforts to strengthen mutual understanding between India and other countries through cultural interactions, the Council facilitates exchange of scholars, intellectuals, academicians and artistes under its distinguished visitors programme. Visitors to India under this programme included film personalities,

academics, artistes, poets and other personalities associated with cultural activities in their respective countries and abroad.

The Council also sponsored the visits abroad of distinguished personalities from India for participation in seminars, conferences and workshops, to deliver lectures and to interact with their counterparts abroad. These visitors included eminent personalities like Shri Nirmal Verma, Prof. Vidya Niwas Misra, Shri Syed Shahid Mahdi, Smt. Leela Venkataraman, Dr. Sitakant Mahapatra, Pt. Gautam Kaul and Dr. Asis Dutta etc.

Exhibition

The Council commissioned and sent four busts of Mahatma Gandhi and one each of Rabindra Nath Tagore and Pt. Nehru for installation in Morocco, Mexico, South Africa, Peru, Canada and Sri Lanka. One life size bronze statue of Mahatma Gandhi was also sent to Canberra, Australia for installation. The Council also sent four major exhibitions namely “Contemporary Graphic Prints of India” to Nepal, Sri Lanka, Egypt and Spain, “Indian Dolls & Dresses” to Ireland and Italy, photo exhibition, “My Land My People” to Turkey, Iraq, Yemen and Zambia and “Exhibition of Madhubani Paintings” to Mexico, Brazil, Peru and Chicago during the period.

Besides these, the Council organised Contemporary Photographic Exhibition by IIPC at its Art Gallery during 19-24 August 2001 and a joint exhibition entitled Cross X links (works by Indian & New Zealand women artists) at Triveni Kala Sangam & Lalit Kala Akademi, New Delhi from 28 August - 13 September 2001.

Presentations

Under its presentation programme, the Council gifted books, audio visual material, musical instruments and CDs to various foreign dignitaries, libraries, institutions and schools from 15 countries.

The Council on Line

The Council has its own website which can be accessed at the following three URLs :-

<http://education.vsnl.com/iccr>

<http://iccr.tripod.com>

<http://iccr.culture.webjump.com>

The process of creation of a new comprehensive website by amalgamating the above three sites is under progress.



Indian Council of World Affairs

The Indian Council of World Affairs (ICWA) was founded in 1943 with a view to encourage in the country the study of Indian and international affairs. It is a prestigious centre for the study of international relations and foreign affairs. Its building, Sapru House, was completed in 1955 and named after its first President, Sir Tej Bahadur Sapru. The Council serves the public in general and the intellectual community in particular by providing through its publications, lectures, and a specialised library, valuable information for basic understanding of the complexities of the international system. It was the ICWA which convened the first Asian Relations Conference in 1947, followed by Indian-American Conference and a series of international conference abroad. In 1956, the ICWA acquired consultative status with the Economic and Social Council of the United Nations. The major activities of the Council are research, publication, organisation of and participation in conferences, seminars, and symposia and maintenance of the library.

The ICWA ran very well for the first 38 years of its existence. However, matters started deteriorating from 1981. The membership was enlarged to include unlettered persons with a view to providing an electoral base for perpetuating control of the management. Certain provisions of the Memorandum of Association were altered to increase the tenure of the elected members from three to six years. Numerous complaints about its functioning had been received from academicians, scholars and staff members while articles and editorials criticising its functioning had appeared in the national media.

In order to arrest the decline of the ICWA, the Government of India promulgated the Indian Council of World Affairs Ordinance No. 3 of 2000 on 1 September 2000 on the basis of which the ICWA was declared an institution of national importance and converted into a statutory body corporate.

The ICWA bill 2001 was introduced and passed in the Lok Sabha on 23 August 2001. It was subsequently introduced in the Rajya Sabha and passed with amendments on 29 August 2001. The President of India gave his assent to the ICWA Act, 2001 (No. 29 of 2001) on 3 September 2001. It was made effective from 1 September 2000.

Sapru House Building

The newly formed body corporate set up under the Ordinance started functioning from Sapru House on 2 September 2000. Owing to previous neglect and inaction, the physical deterioration of the Sapru House premises was alarming. Major civil and electrical repairs were undertaken immediately by the new Council. The Committee room, Conference room, Library and the auditorium have been fully renovated and made functional. Gardens, pathways and boundary walls, too, have been restored and repaired. Sapru House has been restored to the status appropriate for housing an institution of national importance.

Grant-in-Aid

ICWA's grant-in-aid for the year 2001-2002 for both recurring and non-recurring

expenditure was Rs. One crore. It has projected for additional funds of Rs.20 lakhs in the Revised Estimates for the year 2001-2002 for civil and electrical works and also for revival of the activities of the Council.

Publications

The Council has a significant publication programme. It brings out two journals – India Quarterly and ICWA – Foreign Affairs Reports on a regular basis. It also produces special publications. Notable among the latter were : 1) Joint publication with IDSA “State Sovereignty in the 21st Century : Concept, Relevance and Limits”, (2) Special Commemorative volume – The First Sir Tej Bahadur Sapru Lecture on “Reflections : 11 September 2001 and After” delivered by Shri Jaswant Singh, Minister of External Affairs, (3) Publication dealing with “Devolution Discourse in Sri Lanka” under preparation by Director ICSSR, Dr. Partha S. Ghosh.

The Council proposes to award Research Fellowships from the financial year 2002-2003.

Agreements with Similar Institutions

The Council intends to sign agreements or memorandum of understanding (MoU) with similar institutions abroad to fulfil its aims and objectives. Recently, it signed a MoU with the Moscow State Institute of International Relations in the Russian Federation during the Prime Minister’s visit to Moscow in the month of October 2001.

Track II Diplomacy

I.C.W.A. has also been earmarked as a nodal point for Track-II diplomacy. Track-II diplomacy would henceforth be taken up through facilitation of international contacts among organizations and persons concerned with foreign affairs on matters of common concern.

Library

The Sapru House library was fully renovated after September 2000. The ICWA’s library has an exceptional collection pertaining to international affairs, including some rare books as well. Owing to the moribund state of the institution during the

past 20 years, no significant additions were made to the Library. During the year, 508 new titles were added to the collection by the Library Committee. The library received 382 Indian and international research journals and dailies. Indexation of journals provided bibliographical support to users. A monthly abstract of current articles available in the ICWA library is published in its journal “Foreign Affairs Report”.

The Library is a depository of documents of the United Nations and its Specialised Agencies. It has almost all UN documents from 1945 onwards. It also receives the European Union’s publications. More than 33,000 press clippings were culled from major national dailies for the clipping service. These were added subject - wise to the existing collection of more than 2.5 million press clippings dating back to the 1950s.

More than 6,200 visitors used the library in 2001. 51 research scholars from various universities have used the library material for their research. Among these universities were the following : Aligarh Muslim University, Andhra University, Delhi University, Guru Nanak Dev University Amritsar, Jammu University, Jawaharlal Nehru University and Sri Venkateswara University.

Seminars/Symposia/Conferences

The ICWA conducted a number of Seminars/Symposia/Conferences during the period under report. A complete list is at Annexure-XXIII.

Council of the ICWA

The first Council was set up under Government Ordinance No.3 of 2000.

Under ICWA Act, 2001 (Interim Council)

The Interim Council was constituted under the ICWA Act, 2001. Names of Members of Interim Council Constituted Under ICWA Act, 2001:

1. Shri Krishan Kant, Vice President of India, as President of the Council, ex officio
2. Shri Atal Bihari Vajpayee, Prime Minister of India
3. Shri G. M. C. Balayogi, Speaker of the Lok Sabha
4. Shri Jaswant Singh, the Leader of the House, Rajya Sabha

5. Smt. Sonia Gandhi, the Leader of the Opposition, Lok Sabha
6. Dr. Manmohan Singh, the Leader of the Opposition, Rajya Sabha.

Formation of Executive Council under ICWA Act, 2001 (No.29 of 2001) is under active consideration.

Shri P.S. Ray was appointed the first Director General of the Indian Council of World Affairs w.e.f. 1 September 2000.

Names of members of the Executive Council constituted under Ordinance No. 3 of 2000:

President	Shri Jaswant Singh, Minister of External Affairs, ex officio
Vice-President	Shri Lalit Mansingh, Foreign Secretary, ex officio
Members	Amb. (Retd.) Hamid Ansari, Vice Chancellor, Aligarh Muslim University

Director General

Dr. Deepak Nayar, Vice Chancellor,
Delhi University
Amb. (Retd.) Syed Shahabuddin
Prof. (Dr.) Jayanta Kumar Ray
Prof. (Dr.) (Ms.) Nirmala Joshi
Dr. Rakesh Mohan
Shri C. Raja Mohan
Shri Bhuvanesh Chaturvedi
Shri Saeed Naqvi
Prof. Y. K. Alagh
Mrs. M. Sondhi
Shri P. S. Ray, Member Secretary



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Introduction and Synopsis

During 2001-02, Government's foreign policy initiatives adhered to India's well-established objective of striving for a stable and peaceful international environment, especially in our immediate neighbourhood, so as to enable the nation to concentrate its energies on the declared goal of rapid domestic economic growth and social development. The year witnessed a series of extraordinary events and happenings that were as momentous as they were defining. They naturally impacted on our foreign policy options and called for swift, calculated and carefully calibrated responses. Government faced these challenges adroitly while establishing new milestones in the conduct of its diplomacy.

The terrorist attack of September 11 changed the manner in which the world viewed the phenomenon of terrorism. With the rest of the world, India also strongly condemned these terrorist attacks and called for a global campaign against terrorism that was sustained and included steps against terrorist groups and their state sponsors. The terrorist attacks against the Jammu & Kashmir State Assembly on October 1 and India's Parliament building on December 13 by two Pakistan based terrorist groups further underscored the fact to the international community that terrorism poses a particularly serious danger to liberal and democratic societies. There is now a widespread awareness in the

international community that the phenomenon of terrorism must be tackled globally, and in a non-selective manner, for which close international cooperation is a basic requirement. This recognition found reflection in the unanimous adoption of UN Security Council Resolution 1373. There is also a widespread international consensus today, that there is no justification for terrorism which must be eradicated wherever it exists. While India cooperated closely with key bilateral partners in the global campaign against terrorism, at home cross-border terrorism was resolutely confronted and there was growing realization, as stated by Prime Minister, that India's fight against terrorism had entered a decisive phase.

India's intensified engagement with the international community was evidenced in the large number of high-level dignitaries who visited Delhi including the Chairman of the Interim Administration of Afghanistan the German Chancellor, the Presidents of Kazakhstan, Mauritius, Pakistan and Tajikistan and the Prime Ministers of China, Norway, Thailand, and the United Kingdom. Prime Minister visited Iran, Japan, Malaysia, Nepal, Russia, UK and USA. These visits aided the process of high-level consultations between India and the countries concerned and ensured that our views found echo in the councils of the world.

The broad framework of priorities within which India's foreign policy is crafted can be summarized as follows:

- ❑ To protect and safeguard India's sovereignty and territorial integrity while preserving autonomy in decision-making and simultaneously enhancing the country's strategic space.
- ❑ To promote India's role as a factor for peace, stability, security and balance in the international arena.
- ❑ To win international understanding and support for India's national interests, priorities, aspirations and concerns within the rapidly changing international environment.
- ❑ To strengthen peace and stability in our region, defined in the widest possible sense, and enhance friendship, cooperation and mutually beneficial inter-dependencies with the countries in our extended neighbourhood.
- ❑ To work with the P-5 countries and other major powers in strengthening peace, security and multi-polarity in the world based on the new architecture of dialogue and cooperation.
- ❑ To promote the cause of democracy and individual freedom so as to unleash the creative genius of peoples all over the world and promote greater realization that democratic governance and systems are essential ingredients of international peace and stability.
- ❑ To work constructively with other countries in multilateral institutions and international organizations such as the UN, NAM, ARF, IOR-ARC, etc., so as to generate internationally accepted approaches to contemporary challenges.
- ❑ To give greater focus and priority to economic diplomacy with the objective of increasing India's foreign trade and investments into India, ensuring equitable transfer of technology and managerial know-how and strengthening our general economic and commercial links with the rest of the world.

Strengthening relations with our immediate neighbours continued to remain a priority focus area for Government. In keeping with this approach, Prime Minister participated in the 11th SAARC Summit held at Kathmandu between 4-6 January 2002. The Kathmandu Declaration issued at the conclusion of the Summit outlines the three main thrust areas for the South Asian region, viz., the economic agenda, poverty alleviation and elimination of terrorism. The Summit decided that efforts be made to finalise the text of a draft treaty for establishing a South Asian Free Trade Area (SAFTA) by end-2002. On Prime Minister's initiative, the Summit agreed to reconvene the South Asian Independent Commission on Poverty Alleviation. Two Conventions were signed, (a) the Convention on Preventing and Combating the Trafficking in Women and Children for Prostitution and (b) the Convention on Regional Arrangements for Promotion of Child Welfare in South Asia.

India's relations with Nepal continue to be marked by cordiality and cooperation buttressed by a solid corpus of multilevel contacts. Following the tragedy which struck the royal family of Nepal, the Minister for External Affairs, Shri Jaswant Singh, visited Nepal to personally convey to His Majesty King Gyanendra the deepest condolences of the Government and people of India. Functional bilateral mechanisms maintained their vigour with meetings being held of groups relating to the boundary, border management and bilateral projects relating to Pancheshwar, Sapta Kosi and Sun Kosi. The bilateral trade Treaty between the two countries was extended for another five years till March 2007. India supported the efforts of the Government of Nepal to maintain order and tranquility against violence by Maoist groups.

India regards Bhutan as one of its closest friends. Bhutan's development efforts continue to receive major contributions from India. In the Eighth Five Year Plan, the Government of India rendered assistance worth Rs. 900 crores. Considerable progress was recorded in the Indian-assisted Kuricho and Tala Hydroelectric projects. There was a regular momentum of high level visits including that of the Crown Prince of Bhutan Dasho Jigme Namgyel Wangchuck from 20-31 August 2001. There was close liaison between the two Governments

on the presence of Ulfa and Bodo extremists in Southern Bhutan. The Royal Government of Bhutan have reiterated their opposition to Bhutanese territory being misused against Indian interests.

Relations with Sri Lanka continued to be close and cooperative with conscious efforts to strengthen bilateral initiatives in diverse fields. In a gesture, both symbolic and substantive, the newly-elected Sri Lankan Prime Minister, Mr. Ranil Wickremesinghe, made India the destination of his first foreign visit. India reiterated its commitment to the unity, sovereignty and territorial integrity of Sri Lanka. India supported the Peace Process amplifying that a negotiated settlement should meet the aspirations of all elements of Sri Lankan society.

Exchanges with Bangladesh continued across a broad front. The grave and unprovoked incidents of violence against Indian personnel manning the Indo-Bangladesh border in April 2001 were an aberration whose adverse impact on relations was contained by the common will of the two Governments. Principal Secretary to the Prime Minister and National Security Adviser visited Bangladesh as PM's Special Envoy immediately after the election of the Begum Zia government in Dhaka exhibiting India's willingness to work constructively with the new government of Bangladesh. The Protocol Agreement to operate a passenger bus service between Agartala and Dhaka and an Agreement to facilitate running of passenger train services between India and Bangladesh were signed. The Bilateral Trade Agreement was extended for a further period of six months. During the visit to India of the Bangladesh Foreign Secretary in February 2002, Bangladesh promised that its territory would not be permitted to be utilized for activities against any country including India.

The traditionally close relations with the Maldives were sustained through regular and cordial interaction at high levels with Prime Minister meeting President Gayoom during the SAARC Summit at Kathmandu in January 2002. Indian assistance to infrastructure construction, population consolidation projects, education and governance related activities and other development needs of the Maldives remained sustained.

India and Myanmar imparted enhanced substance to bilateral cooperation exemplified by the MOU signed on 25 May 2001 concerning the maintenance of the Tamu-Kalemyo-Kalewa Road. Multimodal transport projects concerning upgradation of Sittwe port, navigation on the river Kaladan, and highway development from Kaletwa to the India-Myanmar border in Mizoram were other areas of cooperation. Energy related projects including solar, fossil fuel and hydroelectric energy remained items of great promise for future cooperation. Dialogue on security-related issues between military and civilian agencies of both sides continued. The trend of high-level contacts between the countries at both political and official levels was continued.

India continued its endeavors to establish peaceful, friendly and cooperative ties with Pakistan as envisaged in the Simla Agreement and the Lahore Declaration. Prime Minister extended an invitation to President Pervez Musharraf to visit India for summit level talks. Prime Minister's initiative, for dialogue and peace, was widely acclaimed both domestically and internationally. Summit level talks were held from 14-16 July 2001 in New Delhi and Agra. During the discussions, Prime Minister, Shri Atal Bihari Vajpayee, emphasized the importance of creating an atmosphere of trust and confidence for progress on outstanding issues including Jammu & Kashmir. He also took up specific issues that would contribute to the process of peace including the issue of 54 Indian PoWs, the extradition of terrorists who have sought refuge in Pakistan, the upkeep of religious shrines, treatment of religious pilgrims, and trade related issues. Pakistan's President, however, focused almost exclusively on the issue of Jammu & Kashmir. The Indian side worked very hard to bridge the vast differences in our respective approaches to bilateral relations, and to arrive at a draft joint document that would move our bilateral relations forward. Eventually, this quest had to be abandoned because of Pakistan's insistence on the 'settlement' of the Jammu & Kashmir issue as a precondition to normalizing relations. Pakistan was also unwilling to address our concerns on cross border terrorism.

The December 13 attack against India's Parliament building by two Pakistan based terrorist groups, the Lashkar-e-Tayyaba and the Jaish-e-Mohammed, was undoubtedly the most audacious and alarming act of terrorism in the two decade long history of Pakistan sponsored cross border terrorism in India. In view of the clear evidence of Pakistan's continued sponsorship of cross border terrorism, India announced on 21st December the recall of its High Commissioner from Islamabad, and the termination of the Delhi Lahore Bus service and the Samjhauta Express. On 27th December further measures were announced including a reduction in the strengths of the respective High Commissions by 50%; a restriction on the movement of officials of the Pakistan High Commission in New Delhi; and a suspension of over flight facilities to Pakistan and Pakistan Airlines. On 31st December, India also handed over to Pakistan a list of 20 fugitives from law, and asked that they be apprehended and handed over so that they could be brought to justice for the crimes committed in the country.

On 12 January 2002, in an address to the Pakistan nation, the President of Pakistan stated that henceforth Pakistan would not allow its territory to be used for terrorism anywhere in the world. Three weeks later, on 5th February 2002, in another public address the President of Pakistan made it amply clear that Pakistan's real approach to cross border terrorism remained unchanged. In this February 5 address the President of Pakistan reiterated Pakistan's time-worn and untenable formulations on terrorism and sought to justify the continued terrorist violence in Jammu & Kashmir. India rejects this outright. The widespread international consensus today is that there is no justification for terrorism, which must be eradicated wherever it exists. India is determined to take all necessary steps to preserve its security and territorial integrity, and will resist terrorism until it is decisively crushed.

The military-political situation in Afghanistan underwent a drastic change with the eviction of the Taliban from Afghan territory, following the international campaign against the forces of terrorism. The Bonn Agreement signaled the onset of new political processes in Afghanistan. The Government of India re-established its diplomatic presence in Afghanistan with the opening of the

Liaison Office of the Ministry of External Affairs in Kabul on 21 November 2001. The Liaison Office was converted into our Embassy on 22nd December, 2001.

The bilateral political interaction between India and Afghanistan witnessed intensive exchanges. Several ministers in the Afghan Interim Administration, including Foreign Minister, Interior Minister, Minister of Light Industries and Vice Chairman and Minister of Planning in the Afghan Interim Administration visited India between December 2001 - February 2002. The Chairman of the Afghan Interim Administration H.E. Hamid Karzai, paid a state visit to India on 26-27 February 2002. During Chairman Karzai's visit, both sides agreed to cooperate in the field of health, education, information technology, industry, public transport and training.

As indication of India's resolve to further strengthen its bilateral ties with Afghanistan, government offered extensive humanitarian relief to the Afghan Interim Administration including through medical relief and personnel. Government announced its commitment to contribute to reconstruction and rehabilitation in post conflict Afghanistan. To this end, a line of credit of US\$ 100 million was offered to the Afghan government for various reconstruction and rehabilitation projects in Afghanistan. Government also announced grants of US\$ 10 million and US\$ 1.5 million for immediate utilization by the Afghan Interim Administration.

India-Iran relations witnessed new direction and added momentum during and following the visit to Iran of Prime Minister Shri Atal Bihari Vajpayee from 10-13 April 2001. A Joint Statement – the Tehran Declaration – was issued at the conclusion of the visit and six Agreements/MOUs were signed. The first ever dialogue on strategic issues was held at Delhi in October 2001 and discussions on the transfer of Iranian gas to India continued.

India's relations with China continued to show improvement during the year. Exchanges at the functional, parliamentary, economic, trade, defence and non-governmental levels progressed. The visit of Chinese Prime Minister Zhu Rongji in January 2002 was an important milestone in bilateral relations and

reflected the importance attached by both countries to the on-going process of high level political exchanges and to developing mutual trust and confidence. Both sides agreed to move forward in diverse areas of bilateral relations while continuing to address differences through dialogue. The process of clarification and confirmation of the Line of Actual Control along the India-China boundary is to be accelerated. A bilateral dialogue mechanism against terrorism is to be established. Six MOUs/Agreements in functional areas were also signed. The latter reflects the on-going diversification of relations.

Prime Minister Vajpayee paid an official visit to Japan in December 2001. The visit contributed to adding new dimension and meaningful content to the Global Partnership in the 21st Century between India and Japan that was agreed during Prime Minister Mori's visit to India in August 2000. A substantive Joint Declaration was issued at the end of the visit. This focuses on ways and means of broadening and deepening the development of bilateral relations and meeting global challenges such as terrorism, etc. Economic sanctions imposed by Japan on India following our nuclear tests in May 1998 were unilaterally lifted by Japan in October 2001.

India's relations with the countries in South-East Asia have traditionally been close and warm because of a common historical legacy, cultural affinities, and, of late, economic and commercial interaction. There has been a mutual recognition of the importance of closer political and economic engagement and this has imparted a new energy to this relationship. The resilience of the Indian economy and our strengths in sectors such as HRD, IT and Biotechnology have helped the ASEAN view India as an attractive economic partner. The recent consensus agreement of the ASEAN countries to upgrade the level of India's interaction with ASEAN to summit level also speaks of this recognition. For India, despite recent economic difficulties it is facing, South-East Asia is an area of strong potential growth in the coming decades and it is in our interest to build a strong framework of commercial, economic and cultural people to people interchanges with the region. Our mutual interest in closer engagement is

evident from a number of high level visits between the two sides recently. Our Prime Minister visited Malaysia in May 2001. Thai Prime Minister Dr. Thaksin Shinawatra visited India in November 2001 and then in February 2002. Our Vice President paid a visit to Cambodia and Indonesia in June 2001.

Bilateral trade between India and ASEAN came down to US\$ 6.96 billion in 2000-01 after reaching a high of US\$ 7.35 billion in 1999-2000. However, trade has shown a new growth in 2001-02. Although two-way investments between ASEAN and India have not been very high there is a growing recognition of the potential for joint ventures and strategic alliances in several sectors. ASEAN recognizes tremendous scope for commercial cooperation in the fields of IT, Biotechnology, Pharmaceutical, Space and Human Resource Development etc. Within the ASEAN, India is committed to engage itself more actively in the development process of CMLV countries and we have assured them of our commitment to the Initiative for ASEAN Integration (IAI).

The presence of fundamentalist groups in their own countries with cross border links has been the cause of recent concern in several countries of the region. Therefore, it is in our mutual interest to exchange views on international terrorism between India and ASEAN. While an institutional mechanism for discussion of security issues has been agreed to with Thailand, similar mechanisms are being explored with some other member states of ASEAN.

The sub-regional and regional cooperation groupings in South and South East Asia saw active Indian involvement in pursuance of India's 'Look East' policy. At the BIMST-EC Ministerial meeting at Yangon in December 2001, a comprehensive review of the status of cooperation in the designated sectors was carried out. The Ministers emphasized the desirability of strengthening linkages among think tanks of member countries. They also agreed to explore external financing of BIMST-EC projects under Mekong-Ganga Cooperation (MGC), a programme of action was drawn up at the Ministerial meeting in Hanoi in July 2001. It is hoped that the flexible nature of the cooperation agenda, ranging from culture and tourism to transport and communications, would enable

speedy progress. A number of concrete offers of cooperation under both BIMST-EC and MGC were made by India. At the ASEAN Post Ministerial Conference Meeting, India made a number of practical offers of assistance to the newer ASEAN members (Cambodia, Myanmar, Laos and Vietnam) under the Initiative for ASEAN Integration (IAI). In conformity with the decision of the last ASEAN Summit held at Brunei in November 2001, the first ever India-ASEAN Summit would be held in November 2002 at Phnom Penh, Cambodia. The upcoming Summit represents a major milestone in India's growing cooperation with ASEAN. India coordinated a number of IOR-ARC (Indian Ocean Rim – Association for Regional Cooperation) projects, and played an active role in the various IOR-ARC programmes and activities.

EAM visited Australia and New Zealand in June 2001, the first dedicated visit by an Indian Foreign Minister to the region. There were a number of ministerial visits between India and these two countries during the period under report. The inaugural meeting of the India-Australia Strategic Dialogue took place in August 2001.

We have been closely watching the developments in Fiji. We believe that the power sharing arrangement as enshrined in the 1997 Constitution is best suited to protect the interests of all sections of multi-ethnic Fijian society. Our concerns on restoration of constitutional democracy in Fiji have been expressed at several international fora.

India continued its cordial and friendly relations with South Pacific Island countries and we provided training facilities and other assistance to these countries under ITEC Programme.

India and the Central Asian Region have had longstanding exchange of ideas and culture. With the emergence of the Central Asian Republics commonalities in philosophies of governance and complementary aspects in the economy and natural resources enabled relationships to prosper with India. Both faced threats from religion based fundamentalism, cross border terrorism and the attendant evil of narcotics. Foreign Office consultations were held with

most of these countries and the majority of them availed of extensive ITEC assistance during the year.

Countries in the Gulf region, a part of India's extended neighbourhood, are a principal source for India's energy requirements while simultaneously providing employment to large numbers of Indian expatriate workers. The region, therefore, is of strategic significance and Government continued to proactively engage the countries of the region. India's relations with Saudi Arabia remained friendly. A team from the National Defence College visited Saudi Arabia after a gap of 10 years. Arrangements for the Haj were further refined and improved and record numbers of pilgrims from India performed the Haj pilgrimage this year. Relations with the United Arab Emirates were greatly strengthened and consolidated during the year especially in the area of law enforcement cooperation and mutual legal assistance.

A 75-member goodwill delegation headed by Dr. (Mrs) Najma Heptullah, Deputy Chairperson, Rajya Sabha which included Shri Digvijay Singh, Minister of State for Railways, Commerce & Industry visited Iraq in September 2001 thereby underlining our desire to expand our relationship with Iraq while simultaneously adhering to UN directives.

India continued to pay close attention to developments in West Asia and North Africa. Support for the Palestinian cause is a cardinal principle of India's foreign policy. In India's view a just, lasting and comprehensive peace in the region can only be established on the basis of relevant UN resolutions and Principle of "Land for Peace" and on the basis of two-state solution where a viable state of Palestine will exist alongside Israel within secure and recognized borders. India supports the Middle East Peace Process and has welcomed all milestones crossed by it in the past. All the understandings and accords must be respected and faithfully implemented without any pre-condition. India is deeply concerned at the recent escalation of violence in the region which has led to large number of casualties and injuries to very many innocent people. There can be no justification for such acts. Need of the hour is restraint to break

this cycle of violence and hatred so that a conducive atmosphere could be created for an early resumption of negotiations. India strongly feels that nothing should be done to undermine President Yaser Arafat who embodies the struggle and aspirations of the Palestinian people. India stands ready to extend all possible assistance to the friendly people of Palestine.

The level of Indo-US engagement in the first year of the Bush Administration has been both broad-based and intensive. Since assuming office, President Bush has repeatedly conveyed his commitment to accelerating the momentum of recent years in India-U.S. relations and completing the process of qualitatively transforming the relationship. The two countries further expanded their agenda of bilateral relations, which is increasingly cast in a global context. The wide-ranging bilateral Dialogue Architecture, established during the visit of President Clinton in March 2000, was resumed and expanded. Dialogue on security and strategic issues have developed beyond non-proliferation issues to cover a wide range of international concerns and developments. The institutional framework of defence relations was resumed after a hiatus of three years and the two sides have drawn up a comprehensive programme of defence and military cooperation. The United States lifted the unilateral restrictions that it had imposed in response to India's nuclear tests in May 1998, which has paved the way for fuller development of economic, military and technology relations between the two countries.

Although the terrorist attacks in the United States on September 11 made the U.S. response to it, including the military campaign in Afghanistan, the immediate and overwhelming focus of its foreign and security policy, the two sides maintained the pace of bilateral engagement, both in response to the challenges arising out of the events of September 11 and to pursue the long-term development of India-U.S. relations. The terrorist attack on the Parliament on December 13 has further strengthened India-U.S. cooperation against terrorism.

There was perceptible improvement in India-Canada relations during the

year following the announcement by the Canadian Foreign Minister in March 2001 of the intention to pursue "the broadest possible political and economic relationship with India". Canada lifted the "measures" imposed in May 1998 during the course of the year.

The relationship with the European Union and individual countries in Western Europe was significantly strengthened. Post 11 September 2001, the European Union collectively and bilaterally recognized the common strategic priorities of India and the EU, especially on combating international terrorism. The strength and vibrancy of this relationship was symbolized by the visits to India of the Norwegian Prime Minister, the German Chancellor Schroeder, two visits of Prime Minister Tony Blair, visits by almost all major Foreign Ministers of EU countries as well as the hosting by India of the 2nd India-EU Summit at New Delhi in November 2001.

India's relations with the United Kingdom have been described "as the best ever", symbolized by Prime Minister Tony Blair's two visits to India and our Prime Minister's visit to the United Kingdom. The New Delhi Declaration, signed on 6 January 2002, in New Delhi, reaffirms this deep partnership between India and UK, both for peace and security as well as for development. Post 11 September 2001, both countries have recognized that international terrorism and the rise of fundamentalism and intolerance are a common menace that requires close cooperation and dialogue. United Kingdom also expressed support for India's candidature for a permanent seat in an expanded Security Council. Trade and business ties have also increased while civil society dialogue, symbolized by the India-EU Round Table continues to enhance this important aspect of the relationship.

India's multi-dimensional relations with France reflected our mutual desire to build a relationship befitting close partners with converging strategic interests. The visit to Paris by External Affairs Minister and Raksha Mantri Shri Jaswant Singh in September 2001 and the strategic dialogue led by the National Security Advisor, Shri Brajesh Mishra and the Personal Representative of the

French President, Mr. Gerard Errera, led to a better appreciation of our legitimate concerns in the fight against terrorism and other international issues of mutual concern. The first meeting of the Indo-French Joint Working Group on International Terrorism held in Paris on 7 September 2001, provided an opportunity to sensitize the French on our concerns in this area. Ministerial level exchanges included visits, from the Indian side, by Ministers of Power, Information & Broadcasting and Rural Development. Bilateral, economic and commercial relations were reviewed during the highly successful visit of the French Foreign Trade Minister in December 2001 accompanied by a high-level trade delegation. A comprehensive review of Defence & Security Cooperation was undertaken during the Indo-French Joint High Committee on Defence in June 2001, at New Delhi. The Indo-French Forum, which held its 7th Meeting in Paris in October 2001, co-chaired by Shri R.K. Hegde and Mr. Francois Poncelet, contributed significantly in furthering civil society dialogue.

The visit of the German Chancellor Gerhard Schroeder in October 2001 coincided with the 50th Anniversary of the establishment of diplomatic relations between India and Germany. In recognition of the deepening ties, both political and economic, annual summit level interaction was agreed to. Economic & commercial relations remained important and received an impetus with the Minister of Commerce & Industry's visit to Germany. India and Germany concluded a bilateral Extradition Treaty on 27 June 2001 during the visit of the Minister of Home Affairs, Shri L.K. Advani. The Indo-German Consultative Forum co-chaired by Dr. I.P. Singh and Mr. Theo Sommer made useful recommendations in areas covering trade, international terrorism, science & technology, education and culture.

India's ties with Norway acquired a fresh momentum with the visit of the Norwegian Prime Minister – 19-23 April 2001. The highlight of the visit was the unequivocal Norwegian support for India's candidature for a permanent seat at the UN Security Council. The decision taken during the visit to set up a bilateral Joint Commission would provide an impetus to cooperation in the fields of trade, energy, IT, space, environment, etc.

The 2nd India-EU Summit at New Delhi in November 2001 marked an important milestone in our relationship with the European Union. As India's largest trading partner, a major source of investment and technology, institutionalization of annual summit level interaction further cemented the strategic partnership between India and the EU. The Joint Communiqué issued during the Summit reiterates the common desire of India and EU to build a coalition of interests to meet the challenges of the 21st Century while the Declaration on International Terrorism reflects the convergence of views between India and the European Union in the fight against the scourge of terrorism.

India's participation at the Commonwealth Heads of Government Meeting postponed last year in the wake of the 11 September 2001 attacks to 2-5 March 2002 reflected India's continued commitment to the Commonwealth. During the year under review India played a constructive role as a Member of the High Level Review Group (established in 1999 at the Durban meeting) in drafting a report on the special theme "Commonwealth in the 21st Century: Continuity and Renewal". The report of the Commonwealth Committee on Terrorism, on which India is a member, was also adopted. The unanimous decision to invite India to join the Commonwealth Ministerial Action Group (CMAG), which monitors the fundamental Commonwealth principles defining democracy, human rights, rule of law and good governance, is another significant outcome of the meeting.

On Italy's initiative (as G-8 Chair), India was invited for consultations with the G-8 for the first time in June 2001 in Rome. India continued to maintain close and friendly relations with other countries in Western Europe where exchange of views both at the official and the Ministerial level contributed to a better understanding of our concerns and a deepening of the political and economic relations.

Relations with countries of Central and East Europe continued to be characterized by friendship and understanding. Changes in the politico-

economic structures of these countries have led over the years to new and positive expectations from these relationships while keeping traditional ties intact. Expanded economic cooperation with these countries has become thrust area of our overall bilateral relations.

India and the Russian Federation share the vision of a 'Strategic Partnership' in the 21st century. The acme of the relationship during the year was the State Visit of the Prime Minister Shri Atal Bihari Vajpayee to the Russian Federation in November 2001. The meetings with President Putin and other Russian dignitaries fully reflected the spirit of the strategic relationship. A very substantial corpus of agreements was signed during the visit. During the year, various Indo-Russian institutional mechanisms remained active for the consolidation of the excellent bilateral relations. The IRIGC (Indo Russian Inter-Governmental Commission) for Trade, Economic, Scientific, Technological and Cultural cooperation held its 8th Session in February 2002. The IRIGC on military technical cooperation met twice. The strategic dialogue between the National Security Councils of the two countries was conducted during the visit of the National Security Adviser Shri Brajesh Mishra to Moscow in September 2001. The Indo-Russian Working Group on Afghanistan held its second, third and fourth meetings. Russian Foreign Minister Mr Igor Ivanov visited India twice. Besides, the apex leadership of the two countries remained in close contacts on matters of common concern.

Relations with other countries of Central and East Europe remained friendly and active. Armenia expressed support for India's candidature for the permanent membership of the UN Security Council. Joint Commission/Committee Meetings were held with Armenia, the Slovak Republic and Ukraine. Foreign Office Consultations were held with Armenia, Croatia, Estonia, Latvia, Hungary and Romania. The Foreign Minister of Croatia, Mr Tonino Picula, visited India and Minister of State for External Affairs Shri Omar Abdullah visited Belarus, the Czech Republic, Poland and Ukraine. A Program of Cooperation in the fields of Science, Education and Culture for the period 2001-2003 was signed with

Bulgaria. With Georgia, an important development was the establishment of collaboration for the production of jeeps. Useful links and friendly ties were similarly maintained with Albania, Bosnia & Herzegovina, Lithuania, FYROM (Former Yugoslav Republic of Macedonia), Moldova, Slovenia and FRY (Federal Republic of Yugoslavia).

India sees Africa as a repository of traditional friendships which have acquired new meaning with emergent changes and resultant opportunities. Continuing the tradition of high level interaction there were significant visits to India by the Foreign Ministers of Tanzania and Madagascar, the Minister of Agriculture of Eritrea, the Kenyan Minister of Communication and Transport and the Nigerian Minister of Industry and focused official level visits such as that of the Namibian Secretary to the Cabinet for studying Indian systems of governance. The India-Africa Pharma and Health Summit at Mumbai in September 2001 was a unique opportunity for Indian pharmaceutical and health care companies to interact with African health care decision makers; eight of the sixteen African delegations were led by Ministers. The Aid to African Countries Fund offered considerable assistance in developing economic and social infrastructure in the region. India was cognizant of the trends towards regional economic cooperation on the African continent and took concrete steps to construct partnership relations with organizations promoting such cooperation.

India's unique relationship with Mauritius was further enriched by a number of visits at the Ministerial level including the commemoration of the Centenary of Mahatma Gandhi's visit to Mauritius where the Minister of Human Resource Development, Science and Technology and Ocean Development, Dr. Murali Manohar Joshi was present as Chief Guest. President Cassam Uteem of Mauritius was the Chief Guest at the Republic Day celebrations in New Delhi in January 2002.

India's warm relations with Nigeria were symbolized in the assistance given by India in making democratic institutions in Nigeria more robust and the

growing economic content of relations following the earlier visit of Nigerian President Obasanjo. A Nigerian Parliamentary delegation visited India in August 2001 to study Indian Parliamentary procedure.

India and South Africa were engaged in a comprehensive, mutually beneficial relationship appropriate to their potential. The relationship is moving towards greater substance in a variety of sectors. Indian industry was showcased at exhibitions and trade shows organized by the CII at Durban and Johannesburg.

Notwithstanding the geographical distance and language barrier that separate India from the Latin American and Caribbean countries, our bilateral relations have grown considerably over the years. In particular, the 'Focus LAC' Programme pursued since 1997 has started to show results with increasing attention being paid to the region by Indian public and private sector bodies. This has led to widespread dissemination of information on India's commercial and technological capabilities. In particular, the EEPC exhibition in Caracas in July 2001 and the ITPO exhibition in Sao Paulo in September 2001 contributed greatly in raising India's profile in the region. Among the ministerial visits to the region were those by the Minister of Power to Argentina and Brazil, the Ministers of Petroleum and Natural Gas, and of Human Resource Development, Science and Technology and Ocean Development to Brazil and of Commerce and Industry to Mexico. The President of Columbia paid a state visit to India in early March 2001.

As a Charter member India believes that the United Nations should command the trust and confidence of the international community through its actions and be regarded as the undisputed forum for consideration of global issues. India's participation in the activities of the United Nations were positively oriented and energetic. The prevailing trend of globalisation prompted India to advocate equitable development among nations so that the asymmetry in the benefits accruing from globalisation are reduced. The 11 September attacks cast their shadow over the 56th UN General Assembly. The Prime Minister in his address to the General Assembly called for a global response to international

terrorism given its manifest global reach. The Prime Minister stated that the struggle for equitable development and the war against poverty were as important for a peaceful global order as the campaign against terrorism and the collective search for security. Negotiations on the draft Comprehensive Convention on International Terrorism initiated by India, recorded considerable progress. India pointed out that terrorism could not be justified on any grounds and only sustained international cooperation against terrorists and their financiers and sponsors would eliminate this global menace.

In all forums concerned with disarmament India continued to call for verifiable, non-discriminatory and universal nuclear disarmament. Consistent with the principle of equal and legitimate security for all, India's position on questions of disarmament and international security was, apart from long standing principles, also anchored on the assessment of its own national security interests. Through multilateral, bilateral and regional dialogues on strategic issues, there was increased harmonization of India's national security concerns and obligations with international concerns on non-proliferation.

The role of the Investment and Technology Promotion (ITP) Division underwent further expansion during the year. While it continued to act as the link between Indian Missions abroad and the relevant governmental as well as non-governmental institutions in India concerned with two-way flows of Foreign Direct Investment (FDI) and Technology, it was further empowered as the nodal point for international aspects of the energy sector. Greater emphasis was laid on promotion and international liaison of the knowledge-based economy. The Division, nevertheless, continued to identify and develop the thrust areas for FDI and Technology as well as prepare and disseminate economic information and promotional material to Indian diplomatic missions abroad.

The articulation of the Government's position and approach on foreign policy issues of bilateral, regional and multilateral concern, in a transparent and interactive manner, remained a core area of focus for the Ministry as a whole and for its External Publicity Division in particular. Our public diplomacy

campaign was further strengthened through the widespread dissemination of our position, jointly with world leaders during visits abroad by our Prime Minister and External Affairs Minister, and during visits of senior foreign dignitaries to India. Our public diplomacy efforts were also strengthened through the use of the website of the Ministry as a dynamic tool for dissemination of information on various foreign policy issues and Government's statement of position. The commissioning and production of documentary films on themes relevant to external publicity, the organization of visits of leading foreign journalists and media personalities, the publication of thematic volumes on foreign policy statements and events, and responses to the needs for information from the visual, the internet, and print media on a proactive and real time basis were also ensured.

To meet the demands placed on the issue of passports owing to the enormous increase in foreign travel by Indians, the Ministry took steps to simplify, decentralize and streamline passport procedures. Computerisation was completed in 27 out of 28 passport offices.

During the year, the High Level Committee on the Indian Diaspora set up under the chairmanship of Dr. L.M. Singhvi, M.P., visited countries with significant populations of people of Indian origin to have first hand interaction with the Indian community. The Committee presented its Report formally to the Prime Minister at a function in Vigyan Bhavan on 8 January 2002. While receiving the Report, the Prime Minister announced that (i) Pravasi Bharatiya Divas would be celebrated on the ninth day of January every year; (ii) up to ten Pravasi Bharatiya Samman Awards would be conferred on prominent Non-Resident Indians or Persons of Indian Origin on Pravasi Bharatiya Divas from the year 2003; and (iii) the Persons of Indian Origin (PIO) Card Scheme would be restructured to make it more attractive. The Ministry provided the secretariat for the High Level Committee and has commenced further follow-up action on the Report.

The Indian Technical and Economic Cooperation which is popularly known

as "ITEC" and launched in 1964 as a bilateral programme of assistance by the Government of India seeks to address the economic needs of the developing countries. For the Commonwealth countries of Africa, this programme is known as SCAAP (Special Commonwealth Assistance for Africa Programme). At present these programmes cover over 144 countries of Asia, Eastern Europe, Africa and Latin America. These programmes cover civilian and military training, projects and project related activities such as feasibility studies and consultancy services; deputation of experts; study visits and aid for disaster relief. About 2000 civilians and 375 military personnel were trained last year in over 110 institutes of national importance. Over 40 Indian experts were dispatched to countries of Asia, Africa and Latin America on deputation. India has set up training institutes in Asia and Africa under ITEC. Emergency supplies in the form of medicines, food grains and other essential items are also supplied every year. Demand for technical and economic assistance is increasing year by year. Effort is being made to involve smaller and poor countries who have so far not been covered under ITEC.

The administration of the Ministry including 157 Resident Indian Diplomatic Missions/Posts and other Offices abroad continued smoothly. Special measures undertaken during the year to heighten the efficiency and to streamline the functioning of the Ministry were the revision and re-fixation of the Financial Powers delegated to the Government of India's Representatives Abroad and the bringing out of the IFS(PLCA) Rules on a CD Rom for better and easy reference by users. The 62nd Regional Council Meeting of the Joint Consultative Machinery of the Ministry was held in November 2001 where various issues relating to the Service and welfare matters were amicably resolved.

Regular efforts to promote and propagate Hindi in the offices of the Ministry as well as in the Missions/Posts abroad continued. Highlights during the year were holding of a Regional Hindi Conference in Budapest (6-8 March 2002) to cover activities for propagation of Hindi in Eastern Europe; Constitution of the Hindi Salahakar Samiti under the Chairmanship of EAM; Hindi fortnight in the

Ministry from 3-14 September and setting up of the Hindi Website. Preparations are also actively underway for the organization of the VII World Hindi Conference in 2002.

The Ministry's Policy Planning and Research Division was designated the nodal point for liaison with the National Security Council Secretariat, UGC recognized Area Studies Centres of various universities; the University Grants Commission and its subordinate bodies. Funding was extended to research projects, seminars and colloquia on international affairs and to Track-II activities.

Presidential assent to the Indian Council of World Affairs Act, 2001 gave effect from 1 September 2001 to the establishment of the ICWA as a body corporate. During the year it revived the publication of two journals – India Quarterly and ICWA-Foreign Affairs Report – on a regular basis and pursued a vigorous programme of seminars on international affairs and subjects of topical interest. The ICWA Auditorium had been restored and the ICWA Library had been made fully operational.

The Foreign Service Institute (FSI) conducted the training of the Indian Foreign Service Probationers through structured modules. It also held in-service training programmes for the Ministry's staff. The Professional Course for Foreign Diplomats was also conducted by FSI with the emphasis on economic diplomacy. The Course was opened to diplomats from countries which were willing to finance their training. The computer center of the Institute held a number of courses for Ministry personnel.

The Indian Council for Cultural Relations (ICCR) pursued its mandate of presenting the finest aspects of India's culture to the world and promoting mutual understanding and cultural relations with other countries. It organized or sponsored performances by major Indian and foreign artistes, hosted eminent personalities under its Distinguished Visitors' programme, sent traveling exhibitions of the arts of India abroad and supervised the admissions and overall administration of scholarship schemes of foreign students in India.

